



SIO Policy Alert

a periodic bulletin on public policy issues affecting the socially responsible investment industry in Canada

September 15, 2009

Federal pension ESG disclosure bill introduced

Today, MP Robert Oliphant (Liberal - Don Valley West) announced introduction of a federal private member's bill to mandate ESG disclosure by federally-chartered pension funds.

Oliphant, a United Church minister, has an interest in SRI issues from previous social justice work in the United Church. Impetus for the bill was provided by the Service Employees International Union (SEIU), which advocates for the responsible investment of pensions through the union's capital stewardship program.

I made a statement at a news conference in Ottawa with Mr. Oliphant, along with representatives of Jantzi Sustainalytics, the SEIU and Kairos. All supported introduction of the bill.

The bill mandates that pensions chartered under the Pension Benefits Standards Act will file an annual report stating whether the pension administrator took ESG issues into account in the previous fiscal year in the selection, retention or liquidation of investments under the administrator's responsibility, or the exercise of any rights relating to those investments. Further, if the report states that ESG issues were taken into account, then the administrator must file a detailed report.

Pension disclosure is a long-standing policy objective of the SIO and the socially responsible investment industry. Such disclosure has been in force in the UK since 2000, with the effect of significantly heightening awareness and activity on responsible investment by trustees and managers.

The SIO has some concerns with the private members bill. The bill does not mandate disclosure of ESG policies, which is an appropriate first step toward responsible investment activity. In addition, it is not clear whether the bill affects pensions covered under the Public Sector Pension Plan, which covers the federal public service, the armed forces and the RCMP.

Nevertheless, SIO supports the legislation and, in my statement today, I urged all parties to support the bill if it comes to the House of Commons for further debate.

Next steps

The SIO will work with Mr. Oliphant and the SEIU to encourage MPs from other parties to support the current bill, or another version of this bill if it is re-introduced after the next election.

Below are links to the news release from Mr. Oliphant in English and French.

I welcome further discussion on this initiative through the SIO listserv, or directly to me by telephone or email.

Regards
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For more information:

News Release: [Robert Oliphant, MP Presents Bill Requiring Pensions Funds to Disclose Environmental, Social or Governance Considerations in Investing](#), September 15, 2009

Communiqué de presse : [Le député Robert Oliphant dépose un projet de loi sur la divulgation d'informations par les fonds de retraite](#), le 15 septembre 2009