



**Canadian Bond
Investors' Association**

**Association canadienne des
investisseurs obligataires**

123-20 Carlton Street, Toronto, Ontario, M5B 2H5 Canada
1-416-585-3000 bondinvestors.ca

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October 31, 2023

Grahame Johnson
Assistant Deputy Minister
Financial Sector Policy Branch, Finance Canada
90 Elgin Street
Ottawa, Ontario K1A 0G5
Via Grahame.Johnson@fin.gc.ca

Dear Assistant Deputy Minister Johnson,

Re: Request for Consultation on Real Return Bonds

The Canadian Bond Investors' Association (the "CBIA") is once again calling on the Department of Finance to open a consultation process on the elimination of Real Return Bonds (RRBs).

The CBIA represents over 50 of the largest fixed income institutional investor organizations in Canada, with over \$1.8 trillion in fixed income assets under management. Our member organizations include sophisticated institutional investors such as insurance companies, bank-owned investment managers, pension funds and investment advisers. Our mandate includes acting on behalf of institutional fixed income investors in addressing key issues with legislators, regulators, bond issuers, investment dealers and other industry participants. We are the voice of Canadian bond investors and speak not only for those investors but also for the pensioners, policy holders and

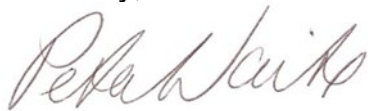
retail investors who depend on our members for the sound management of their investments.

We are writing in response to comments made by Assistant Deputy Minister Johnson to the Standing Senate Committee on National Finance on October 3, 2023 regarding a consultation process on real return bonds (RRB). In our statement issued on November 14, 2022 we called on the Department to reconsider this hasty decision and take time to evaluate this complex situation. Consideration should not only be given to the reinstatement of the original program but also to taking steps to improve the market structure such as issuance across the curve and broader index inclusion.

Given the comments made by Assistant Deputy Minister Johnson on October 3, we would welcome a renewed consultation process.

The CBIA is open to dialogue and providing our members expertise on this important matter.

Sincerely,

A handwritten signature in dark ink, appearing to read "Peter Waite", written in a cursive style.

Peter Waite
Executive Director

Hon. Chrystia Freeland, Minister of Finance
Via: chrystia.freeland@fin.gc.ca