

alerted concerned Canadians across the country about these meetings, and urged them to pose questions online or at the meetings themselves. Many did, and as a result, the CPPIB was forced to respond to public criticism about its unethical investments. During their web broadcast – viewed at all nine CPPIB meetings across Canada – this crown corporation’s “Media Relations” director, Linda Sims, said they had received “similar questions from various locations...as well as through the web ...asking about companies that manufacture military products.” (The CPPIB had by then received 1,200 emails from signatories of COAT’s petition to “Stop CPP investments in Israeli apartheid.” See the back cover for details.)

Sims then turned to the CPPIB’s CEO, David Denison, and asked: “Why does CPP invest in these companies?”

Denison’s response was telling: “[W]e do not screen out or eliminate any particular sectors from our investing activity.... [T]he question referred specifically to armaments.... We have a very singular and clear

investment mandate that is to achieve a maximum rate of return without undo risk of loss.”

In the 1990s, he said, CPP “reformers” “intentionally decided” that the CPPIB should *not* take ethical issues “into account in making investment decisions.”

Robert Astley, chair of CPPIB’s Board, then quickly piped in to say:

“I want to assure Canadians that the Board of Directors is totally at ease with this policy and is very mindful that in every one of these areas where calls for so-called ethical investing are made, there’s always a contrary opinion and the Board...is quite comfortable investing with a singular focus on investment return.”

Although Astley and CPPIB’s board are “comfortable” and “totally at ease” with investing our pension money in unethical stocks, many Canadians have been shocked to learn that their retirement security is ensured, in no small part, by shares in the world’s biggest war profiteers, polluters and other disgraced corporations. For instance, Frances Everett, who was at the CPPIB

meeting in Victoria, said in an email to me that of the 35 in attendance, “a good half or more...were there out of concerns about ethical investments.”

Everett rightly noted that the Act of Parliament governing the CPPIB “would need to be amended to provide for an ethical investment council arm of the CPPIB.” But, because the federal government and a majority of provincial governments will have to agree on such an amendment, she suggested:

“We need to build a broad coalition of social justice organisations, faith groups, political organisations, etc., to push for a change in the Act, leading to the creation of an ethical investment council.”

*Great idea!* And, in the meantime, COAT will continue making connections between Wall Street, war and The Wall, by raising awareness about a range of unethical, CPP investments.

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## COAT Sparks Question about Israeli Military Attack on Aid Ship to Gaza



CPP invests in Montreal’s CAE Inc., a war industry providing training systems for Israel’s UH-60 helicopter pilots.

Nine activists were killed when UH-60s dropped Israeli troops on an aid ship heading to Gaza in 2010.

A highlight of the CPPIB meeting came from Kevin McNeish in Victoria. He based his comment/question on material from the previous issue of COAT’s *Press for Conversion!* Here, in part, is McNeish’s remark as webcast across Canada:

“I’m concerned about the many CPP investments in military weapons companies.... There is one investment in particular that I’m very concerned about.... CAE is the world leader in building military flight

simulation trainers...[including] trainers for UH-60 Blackhawk helicopter gunship pilots.... I was on board the humanitarian aid ship, the Mavi Marmara, on May 31, 2010, when Israeli forces attacked our ship in international waters using three UH-60 Blackhawk helicopter gunships. Nine aid workers were killed, 54 others were wounded. Three Canadians onboard, including myself, were injured and almost killed.... In

my view, CPP shouldn’t be investing in war industries, let alone in war equipment used to attack Canadian citizens. Is this profit at any cost?”

When the CPPIB’s PR rep asked the Board’s chair to “take a stab” at answering this, Robert Astley replied:

“In the particular case of the company that Kevin is referring to, that activity is viewed by society in Canada and elsewhere as a legitimate activity of creating systems, weapons. It is viewed and regulated accordingly. We do not screen out investments.... That is, I think, the ultimate right course... Bad things do happen in the world and individuals and companies can be involved in them... but we do not make those kinds of judgements in screening.”

As Kevin explained in an email to me:

“I used the COAT report on CPP investments to frame my question about CAE Inc.... After my question was asked the room erupted into applause... I would never have bothered to attend such a meeting if I had not read that COAT report.”

**Watch the CPPIB webcast:** [www.cppib.ca/About\\_Us/public\\_meetings.html](http://www.cppib.ca/About_Us/public_meetings.html)