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WHY IS CANADA POST HIDING THE HUGE SURPLUS IN THE PENSION PLAN?

CPC spokespeople are always talking about the deficit in the Canada Post Pension Plan. But they never mention that the plan also has a huge surplus. And while the surplus is growing, the deficit is decreasing.

The Facts CPC Never Mentions

Here are some of the facts you will find in the *2015 Canada Post Pension Plan Report to Members*:

- In 2015 the going concern surplus increased to \$1.2 Billion from \$500 million. (See page 2 of the Report.)
- The actual pension surplus for 2015 was \$2.7 Billion. (page 18)
- The solvency deficit was reduced from \$6.8 Billion to \$6.1 Billion. (page 17)
- The solvency deficit (market value) was reduced from \$6.8 Billion to \$5.9 Billion. (page 17)

Solvency only triggered by Plan Termination

The solvency deficit only comes into play if a pension plan is terminated. Since the federal government has ruled out privatization from the mandate of the Review Committee, there is no reason to believe the plan will be terminated. Solvency deficits are caused by low long term interest rates. Should (or when) interest rates go up by only 1%, the solvency issue will disappear entirely (see page 20).

This is why CUPW and all of the other postal unions do not believe there is any reason to change the pension plan especially given that it is running a \$2.7 Billion surplus.

CPC Recognizes a Pension Plan is important – for some.

In their pamphlet attempting to sell their global offer, CPC said the following to regular Urban and RSMCs who are covered by the defined benefit pension plan: “We understand the importance of your pension. We get that it brings you peace of mind.” Yet, their proposal calls for all temporary employees and OCREs to be excluded from the pension and only receive a low value defined contribution plan. So much for caring about the peace of mind of thousands of their employees.


We demand that all employees be eligible for the defined benefit pension plan.

We all deserve “Peace of Mind”

To see the *2015 Canada Post Pension Plan Report to Members* go to:

English: https://www.cpcpension.com/db/db_pubs_RTM-e.asp

French: https://www.cpcpension.com/db/db_pubs_RTM-f.asp



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