

March 22, 2017

Is Your Pension a Target? Stop C-27!

Late last year, the government introduced legislation that attacks the stability of federally-regulated pension plans. Bill C-27 would create a framework for the conversion of defined benefit pension plans into target benefit plans. The bill was met with outrage from the labour movement, as it was introduced without any consultation whatsoever.

C-27 is a surprise-attack on secure pensions. Now we have reason to believe that Canada Post is considering converting the Canada Post Pension Plan to a target benefit plan.

On Wednesday, March 15, the union met with senior management at Canada Post where they told us they would like to discuss a "shared risk" model for the pension, without substantive discussions on the matter.

There are currently no provisions for shared-risk pension plans for federally regulated pensions. Bill C-27 is set to change that, and it is clear that as far as management is concerned, our pension is in their sights.

Target benefit plans leave pensioners with less security than defined benefit plans. With a defined benefit pension plan you know, when you retire, what amount your pension will pay, and you can plan your household accordingly. A target benefit plan passes some of the risk onto you, so if the stock market crashes or the pension plan's investments underperform, your benefits could be reduced.

Management said they are worried that if there is another year "like 2008" when the markets crash, our pension could be in serious trouble. Their solution to this is simple: pass the risk onto the workers, so that the plan is not on the hook for full benefits if the markets crash. Obviously, this is not an acceptable solution for postal workers. CUPW will not, under any circumstances, agree to give up our defined benefit pension plan.

We see now that Bill C-27 is an attack on postal workers, and all workers with a secure pension. We have to stop it, or we may well be the first target they take aim at.

Tell the Liberal government that we won't make our pensions vulnerable to financial market uncertainty.

Call or write Federal Finance Minister Bill Morneau:

613 992 1377

or

The Honourable Bill Morneau

House of Commons

Ottawa, Ontario K1A 0A6

or

Bill.Morneau@parl.gc.ca

Tell your MP, too. Find your MP's contact information at

<http://www.lop.parl.gc.ca/ParlInfo/Compilations/HouseOfCommons/MemberByPostalCode.aspx?Menu=HOC>

Mail to your MP is postage free.

In Solidarity,



Mike Palecek
National President

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