



326 12th Street, New Westminster, BC V3M 4H6
Phone: 604.519.1110 Fax: 604.522.8975



2nd floor, 4248 Glanford Ave. Victoria BC V8Z 4B8
Phone: 250.384.4423 Fax: 250.381.3521



707 12th Street, New Westminster, BC V3M 4J7
Phone: 604.520.1122 Fax: 604.520.1443

Pension Information

February 21, 2018

Dear Brothers and Sisters:

We write to update the members on some important information relating to proposed Public Service Pension Plan design changes put forward by BCGEU as Plan Partner in consultation with the government Plan Partner.

Unifor members at Locals 111, 2200 and 333-BC are members of the Public Service Pension Plan (PSPP) along with members from other unions such as CUPE, MoveUp, BCFMWU, BCNU and more. BCGEU represents the largest number of members in the plan with Unifor as one of the largest secondary unions in terms of members represented. BCGEU is considered a 'plan partner' and is involved directly with the government plan partner in discussing and negotiating changes to the plan.

A PSPP Advisory Committee involving Unifor and other unions has been apprised of some proposed changes in pension plan design over the past year. We had requested clarification on the need for the proposed changes and asked for supporting actuarial information in order to properly understand and assist with communicating any changes for our Unifor members in the plan, at all wage and seniority levels. Unifor representatives, with assistance for our National Union including our Director of Pensions and Benefits, have been very critical of the timeliness and process relating to communication of these proposed changes. We have many letters on file from Unifor to the BCGEU expressing our concerns. We received a response in summer 2017 which indicated that the matter would not proceed further and was "off the table" due to a reluctance by the Government Plan Partner, for reasons not stated. We believed the issue had therefore been resolved as a trial balloon and no communication to our members was required.

Late last year, we were advised that the changes were once again under discussion, based on BCGEU's preferred formula for changes, as the union Plan Partner. As a matter of administration, some pension plan changes can be implemented by the Trustees due to changes in the law (Pension Benefits Standards Act of British Columbia (the "PBSA") or funding status (deficit / surplus & contribution rates). These changes are generally required to properly run an efficient pension plan and are communicated appropriately to the plan participants.

Although the proposed changes, in this instance PSPP Plan Design, may have some positive elements, the overall impact on members with different wage rate and service (company seniority) can be complex to analyze. Therefore, due diligence and considerable expert consultation and appropriate communication and input from plan participants (members) is essential. Once again, on numerous occasions this year, we have asked for more detailed information and communication in order to properly represent our members. We are aware the other Pension Plans in the BC Family of Plans (Teachers PP and College PP) have implemented changes, similar to those proposed by the BCGEU as Plan Partner and we certainly want to compare and canvass the experience of those members.

In early January 2018, we were advised that the PSPP Advisory Committee was expected to provide input on the proposed PSPP Plan Design changes, with only a week or two of notice. We had received no updated actuarial information when this notice was given. We strongly objected to the need for such sudden decisions and questioned the expedited process and lack of information provided before meaningful consultation can properly occur.

Through direct contacts and correspondence with other unions and with the senior Officers of the BCGEU, we demanded a face to face meeting between all the unions involved and the need for agreement on a reasonable process, moving forward. Although a meeting was subsequently held, we were advised, a few days ahead of the meeting that BCGEU had reached an agreement with the Government Plan Partner on the proposed changes. This development obviously did not address Unifor's concerns that this consultation we were seeking, was in fact truly intended to be an "open process" instead of a vehicle to ratify a previously agreed to "Agreement in Principle" by the Partners.

Given these developments, we have now reached out to senior levels of government to strongly express our dismay and concern with this lack of communication. We now are given to understand that an improved communications process, involving better consultation and outreach is underway. We will continue to reach out to officials in the Pension Corporation, Trustees and Plan Partners on these proposed changes. We have also been in direct contact with Dominique Roelants, Executive Officer of the Public Service Pension Plan and are scheduling meetings with his office to update all Unifor locals on the exact status of the proposed changes and the process moving forward. We also understand that they will also begin a process of outreach and communications to union representatives and members in the PSPP following these discussions.

We believe that the needs of our members must be thoroughly analyzed in consideration of any Public Service Pension Plan design changes. We believe all unions with members in the plan, regardless of membership size, should receive the necessary information to best represent and communicate their member's interests. Regardless of the BCGEU's approach, we believe our representatives and members need proper consultation in order to answer the many questions that we are sure will arise with these changes.

We have been diligently lobbying to secure a process that we feel is appropriate. We believe it is now necessary to advise our members of the concerns and communication problems that we have been experiencing.

We note that further updates from the Pension Corporation are expected on these issues, over the next few months. We will keep you posted accordingly and will provide more details when we have a clearer picture of exactly what changes have been finalized and agreed to.

In solidarity,

Steve Sutherland, President, Unifor Local 111
Joe Elworthy, President, Unifor Local 2200
Ben Williams, President, Unifor Local 333-BC
Gavin McGarrigle, Unifor BC Area Director
Corey Vermeij, Unifor Director of Pensions and Benefits