
CUPE WIRE

Official Publication of the Canadian Union of Public Employees, Local 38
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Benefits Review Continues

In last month's Wire we reported that any changes to the benefits as a result of the recent survey wouldn't likely occur until next year. This has been confirmed as enrollment has commenced and the Benefits Oversight Committee has been provided a work plan that concludes with recommendation for changes coming in 2016.

This delay means that the cap on Core Dental will remain at \$1,500, the same value as in 2004 when ENMAX left the City of Calgary's plan and set its own up. The amount of service the \$1,500 buys today is significantly less than when the plan was set up over a decade ago. Today, there isn't much left over after an annual checkup and combined with the recommended two cleanings. Local 38 has flagged this issue over a number of years with the Benefit Oversight Committee as an area that needs to be addressed.

The dental plan highlights how setting a dollar value or a cap on a benefit results in inflation eroding the benefit over time. Benefits plans experience the health sector inflation rate (rather than the general inflation rate), and this rate is usually 3 – 4 times higher than general inflation. The benefit cap is popular with employers, as it provides them with the ability to budget.

This budgeting certainty for employers comes at a cost to the employees as any short falls are transferred to them. This creates a delicate balance because if employees can't afford the service, they opt not to get it. This results in the deterioration of individual health which, when finally treated, requires more intense treatment and time off of work. This is also when employees start to vote with their feet and look for employers with benefit plans that meet their needs.

Customer Service Representatives Working Community Events

Cupe Local 38 and ENMAX are in the process of finalizing a letter of understanding to formalize the use of CSRs to work community events. This letter provides that CSRs be canvassed and express an interest to work the event, so should they not wish to work the event they will not be required to do so.

Should the CSR receive approval to work the event, they will be released from their normal duties, and receive their regular rate of pay. The shift will still be limited to an eight hour day. The hours of work may be flexed so that the start and stop times are different but there will be no split shifts. CSRs will be eligible to receive shift differential and overtime as per the collective agreement.

This letter captures a practice that has been in place for a number of years and provides ENMAX the ability to utilize the CSRs knowledge and skills at community events. It also provides the CSRs with a break from the phone and the opportunity to meet people face to face.

Whatever your plans for the summer may be ...

**We wish everyone an enjoyable, safe
and happy summer!**



FINAL Reminder Scholarships

The two \$1,000.00 each scholarships are still up for grabs!

Reminder for applicants to submit their one thousand word essay by the August 21, 2015 deadline on one of the following topics:

- 1) The challenges facing unions in Alberta over the next 20 years; or
- 2) The relevance of unions in Canadian society; or
- 3) The role of the labour movement in the global environment.

This scholarship is for Local 38 card carrying members' children. Students employed and paying dues to Local 38 on the August 21st deadline also qualify.

Entries can be submitted by email or fax. Email attachments should be in Microsoft Word format. Proof of enrollment must also be provided at the time of submission. The deadline for submission is August 21, 2015. Successful applicants will be advised by letter in October and CUPE Local 38 reserves the right to publish the names and essays of the winners.

For further information, please contact Local 38 at 403-233-2700 or by email at office@cupe38.org or check the March or April issues of the CUPE Wire on our website under Member Benefits at www.cupe38.org



Civic Unions volunteer for running Stampede parking lot for charity

Once again during Stampede the Civic Unions will be running the parking lots at Manchester for Stars Air Ambulance.

This year we have once again received permission from the City to use the lots during the weekend and after hours for this worthwhile cause. If you are planning to attend the Stampede we hope that you will consider supporting Stars as the rates charged are extremely competitive with other parking in the area.

If you would like to get involved, and are willing to provide one evening or weekend for a couple of hours to help with this worthwhile cause, please contact our office at (403) 233-2700. It is fun to meet other city employees as well as people from around the world. Many of the out of town guests are appreciative of the local information we as city employees can provide.



THOUGHT FOR THE MONTH



Never doubt that a small group of thoughtful, committed, citizens can change the world. Indeed, it is the only thing that ever has."

~ Margaret Mead

High Fees Cause Mutual Fund Investors to Work Longer or Retire with Less: Study

As Published on the Canadian Centre for Policy Alternatives (<https://www.policyalternatives.ca>) website:

High management fees will cause Canadians relying on mutual funds for their retirement income to work into their 70s or retire with 20-40% less compared to pension plans, says a study released today by the Canadian Centre for Policy Alternatives (CCPA).

The study, by CCPA Senior Economist David Macdonald, compares the management fees charged by mutual funds and pension plans. He finds that in 2014 the annual average pension plan fees were 0.38% of assets while comparable mutual fund fees were 2.1%.

"Canada has the highest equity mutual fund fees in the world," says Macdonald. "They're so high that in order to offset those fees the average mutual fund investor would have to work until age 72 to match what a pension plan holder made by age 65, even with identical contributions," says Macdonald.

The study finds a large variation in fees among mutual fund families. Across major fund families, Canadian can expect to work two to 11 years beyond age 65 to make up for higher mutual fund fees. High fees in fund families like Investors Group, AGF, and IA Clarington would force investors to work past age 75 to match pensions. MD Management, Beutel Goodman and Phillips Hager & North also gave higher fees than pension plans, but their holders would have to work to age 68 or 69 to overcome the difference.

The RRSP system has been a dismal failure at encouraging Canadians to save for retirement. Even today, most Canadians retirement do not have nearly enough in RRSPs to rely on them for retirement income. At the same time, only 27% of Canadians have a workplace pension plan, down from 43% in 1977.

The study recommends an expansion of inexpensive workplace pension plans or public pension plans like CPP. As a stopgap measure, trailers fees—the portion of mutual fund fees that go back to the advisor—could be capped or banned entirely.

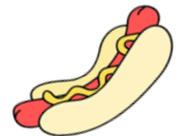
"The anxiety that Canadians feel in RRSP season about whether they've save enough, whether they've picked the 'right' mutual fund and whether their savings will be wiped out in a down market are features of the RRSP retirement system," concludes Macdonald. "A retirement system requiring high fees and delayed retirement is not as foregone conclusion. There are plenty of viable alternatives to policy makers that would improve the system for all Canadians."

The CDLC's 7th Annual Labour Day BBQ

Monday, September 7th, 2015

11 AM to 2 PM

Calgary Olympic Plaza (228-8 Avenue SE)



The Calgary & District Labour Council holds an annual B-B-Q for the homeless and working poor every year at Olympic Plaza in recognition of Labour Day. This event provides entertainment, food to interested citizens within the target group. If you are interested in helping out, please contact our office at (403) 233-2700.

REGULAR MEETING



Tuesday, June 23, 2015

7:00 p.m.

Union Office

1439—9th Avenue South East

BUSINESS: Regular

Elections:

1. Three (3) members to the Social Committee

There are no meetings in July and August therefore there will not be a CUPE Connection until September.

Enjoy your summer!