

CUPE PARKING LOT

Official Publication of the Canadian Union of Public Employees, Local 38
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JANUARY 2021

Zoom Into the General Meeting

The rising numbers of Coronavirus infections clearly indicate that we are well into a second wave. Medical professionals are calling for a targeted shutdown to regain control of the pandemic. Given this state, the Executive of Local 38 has made the decision to cancel in-person meetings for January.

The January 26th Regular General Membership meeting will be held through a on-line Zoom meeting. We encourage every card-carrying member to contact the office for the specific details to attend the meeting.

In an attempt to balance the confidentiality of the meeting with access for our members, we are asking the following:

1. Contact the Union Office at 403-233-2700 or office@cupe38.org to obtain the access code for the meeting.
2. When entering the Zoom meeting, please ensure your camera is on and that you identify yourself. We will need to confirm and record the name of all attendees. If a participant cannot be identified, they will be removed from the meeting.
3. Once the meeting starts, attendees will be given the instruction to turn off their camera if they desire to improve bandwidth.
4. If speaking, please activate your camera so other delegates can see who is speaking.

I want to thank everyone for their understanding during these times. While we prefer in-person meetings, to ensure the health and safety of our members, on-line meetings are needed to continue the democratic operations of our Local.



PENSION ENVY MEETS PENSION FACTS

The year 2020 presented all of us with new challenges and frustrations, many still ongoing. Between the pandemic, the economy and political actions taken by leadership across the country, many of us are left wondering, who are the adults in charge and why are they making the decisions they are making? The good news is that there is one organization we do not need to worry about and that is the Local Authorities Pension Plan (LAPP). This organization not only stick handled our pension investments through the worst economic downturn Alberta has seen in decades, alongside an unprecedented pandemic that effected markets all over the world, they are also helping us to defend our pensions to those looking to divide and shame us for having such a benefit.

On December 14, 2020, The Calgary Sun published a Guest Column by Colin Craig, President of secondstreet.org and Franco Terrazzano of the Canadian Taxpayers Federation. Throughout this article the two claim all kinds of unfair advantages given to us by way of our pension. They misquote the LAPP, they misrepresent financial data and just plain vilify every single City of Calgary employee. The LAPP responded with a Guest Column in the December 21, 2020 edition of the Calgary Sun called, "Pension Facts Come Late to the Party." The article begins by stating a fact, that each of our members already know, but the Canadian Taxpayers Federation just cannot seem to wrap their head around, and that is "The LAPP is not a golden perk, nor is it a gold-plated pension plan.....The average pension paid to an LAPP member is about \$18,000 per year." This is not an amount that will allow anyone to live in the lap of luxury during retirement. In fact, most members will still need to supplement their LAPP pension with other sources of income or savings. In addition, none of that is free money! All of us pay our share in the form of approximately 10% deferred earnings that result in a reduction to our monthly take home pay. Our employer then matches that amount, which is the obligation of any employer participating in a defined benefit pension plan.

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Leading by example

Throughout the response to COVID-19 across the world over the past year, we have seen many examples of both good and bad leadership in the political sphere, but nothing has left more to be desired than the response of our provincial leadership here in Alberta.

One need only to look as far as the recent, so-called "Aloha Gate" scandal of the UCP government to see the implications of poor leadership. Our provincial government, those that have been elected to represent and reflect the best interests of Albertans in all that they do, have shown us that they hold themselves in higher esteem than their fellow citizens, the public they represent. Their arrogance and selfish hypocrisy have led to a breakdown in public trust across the political spectrum and has laid bare the true motivations, priorities and beliefs of those in power; a prevailing, two-tiered "us and them" mentality.

These actions, coupled with a lack of an appropriate response to the scandal, have caused lingering anger and embarrassment not only in our city and province, but across the country.

As a public, we deserve better.

Elected officials are our representatives. They are entrusted to embody and maintain the values, principles and priorities that we as a public hold. They are tasked with providing strong and ethical leadership, while fighting for us and the best interests of our community. Integrity and honesty are qualities most of us look for in our friends and partners, and strive to develop in ourselves. We need to demand the same of our politicians; It is our duty to hold them to account.

As a public, we can do better.

This fall, we have an important decision before us here in our city, as we elect our mayor and councillors in the municipal election. We have an opportunity to make our voices heard and choose the type of leadership we want our city to have.

When casting your ballot, remember the implications of poor leadership that we have seen here in our province. Consider what values and priorities each candidate holds and who will uphold their integrity and serve our city in a strong, fair and balanced way. We need leaders who respect us both as citizens – and as public servants.

We hold the power in our hands to make a change, for better or worse.

The local won't be the same

It is a long standing CUPE 38 tradition to honour our most active members who have contributed significantly to the local at their last general meeting prior to retirement. Due to regulations brought on by the pandemic, the local was unable to properly recognize an active member at a regular general meeting who has with vigor and spirit has made significant contributions to the local and the labour movement. Therefore, the Public Relation and Education Committee felt an article was appropriate to recognize a member who has been a stalwart defender of member rights and a labour activist.

It is with mixed emotions that CUPE 38 says farewell to Ernie Duffy as he prepares for retirement after a long and distinguished career with the City of Calgary. Ernie held multiple positions within the union as shop steward, table officer, JEQ committee representative, and as a long-standing member of the executive council. Ernie represented the membership at multiple conferences and continuously represented member rights as his role as a shop steward at the workplace.



It will take some time for the membership to adjust to the idea of Ernie no longer being an active participant. Many of our members have benefited from Ernie's years of wisdom and experience earned over a storied career. While the local will sorely miss an individual with a depth of knowledge, Ernie was proactive in developing younger activists and always willing to share his stories, and for this the local is truly appreciative.

Like all of his fellow colleagues at the City, Ernie can retire in dignity with a pension, but in the words of Cesar Chavez "True wealth is not measured in money or status or power. It is measured in the legacy we leave behind for those we love and those we inspire". In this regard, Ernie has made a significant impression on those fortunate to have made his acquaintance. The local will not be the same without you. All of us at Local 38 wish you the best in your next stage of life, success in your future endeavours and you have earned our thanks and gratitude for all that you have done. You have earned a well-deserved retirement.

PENSION ENVY MEETS PENSION FACTS

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On LAPP's website, they do not refer to our plan as quite generous as described by Craig and Terrazano, what they do use that term for, is to describe that there is a 1% addition to the employer dollar input to the plan. That 1% means that for every dollar I put into my pension, the employer puts in \$1.10. The offensive article from December 14 goes on to make claims that The City's pension costs have skyrocketed in the last 17 years by showing the overall cost of the pension benefit in 2002 compared to what the City of Calgary paid for their share in 2019. What they fail to factor in, is the significant growth of Calgary and the resulting increases to staffing levels that occurred over the last 17 years, and the increase in wages that co-relates directly to pension contribution amounts. As the December 21 article states, "LAPP benefits are based on a similar benefit formula used by pension plans across the country. LAPP is an employment benefit, and like dental, health and life insurance it is part of a total-compensation package offered by employers. Like all benefits, costs do increase over time, but in fact, LAPP employers will actually pay lower contribution rates in 2021 than they paid 10 years ago, in 2011."

The LAPP article goes on to say, "...what pension envy campaigns like these never point out is the importance of having workplace pensions in all sectors to ensure income adequacy in retirement. Without adequate income, workers will have to rely on a social safety net costing billions of dollars, paid for by taxpayers, to keep seniors out of poverty and in needed social programs for housing, health, dental and income subsistence."

"You also never hear about the value all Albertans derive from LAPP. We have about 70,000 LAPP retirees currently contributing about \$1.8 billion per year to our economy. Between 70-90% of LAPP pensions are paid for by investment returns on a \$50-billion fund owned by LAPP members. That money is invested every day in companies and enterprises that keep people in jobs and paying taxes all year long."

It seems when the pension envy campaigns gear up to gripe about us, we are never referred to as tax payers, citizens or simply workers. We get called "blood sucking vampires" or "public servants that are like hogs at a trough." Both descriptors are disrespectful, disingenuous and just plain not true. These attacks ebb and flow depending on the economic climate and political campaigns. Right now we are faced with an uncertain economic future along with a municipal election looming on the horizon. Couple those issues with a provincial government that seems to give money and benefits to everyone but working Albertans, we are going to be facing a storm of these attacks from employers, government and even friends and neighbours.

What can we do about that? The LAPP has you covered there too. On LAPP's website they have a new video series called Myth Buster, and it is a terrific starting point to obtain factual information regarding our pension. As stated in the December issue of LAPP News, "As human nature goes, it is not unusual for people to envy each other, especially when times are tough. However, there are groups who, for their own political purposes, will run campaigns to drive a wedge between people to turn envy into resentment and resentment into political action aimed at taking another's hard-earned benefits away." The LAPP has committed to defending your pension by correcting the errors and exaggerations with facts. "You do not need to apologize to anyone for saving for your retirement. Your pension is not paid for by taxpayers, as these organizations claim. It is paid for by you and your employer. Your portion gets deducted from your monthly cheque and the employers share is a benefit earned by you as part of your employment contract."

The LAPP is 100% fully funded, in fact, coming into 2020, the plan was 119% funded. It was this strong buffer and sound judgement by the LAPP Corporation, which enabled the plan to weather the storm of an economic crisis and a pandemic. The investment management group, AIMCo, did take some losses on investments, but because the LAPP Corporation pursued downside protection, the losses were reduced. By Q3 reporting in 2020, the LAPP had bounced back to almost what they started at in 2020. For this reason, despite all the negative impacts of 2020, the LAPP has been able to keep contributions for both employers and employees the same for 2021, with no increases. As reported in The Globe and Mail on January 5, 2021, most Canadian pension plans have bounced back to pre-pandemic solvency levels. This is being credited, in part, to the rebound in equity markets. Mercer Canada Ltd, which uses a "pension health index" to track the solvency ratio, indicated that some may have even seen a year-over-year improvement. While the interest rate remains low, there will still be challenges ahead for any investments, we are in good shape as members of the LAPP.

REGULAR MEMBERSHIP MEETING

*All CUPE 38 Card Carrying Members
Invited to Attend*



When: Tuesday, January 26, 2021
at 7:00 p.m.
Where: Via ZOOM
(SEE FRONT PAGE FOR DETAILS)
Business: Regular