

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 November and December.

The November 24th 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.



Take the Politics Out of Pensions (and Compensation)

On November 3rd Council received the final report of the Council Compensation Review Committee. This Committee is comprised of five citizens who conduct a review and assessment of Council's compensation. The last review was completed in 2017.

A number of years ago, Council linked their pay increases to the Alberta Average Weekly Earnings (AWE). The intention is to de-politicize the wage discussions for Council by linking it to an external measure. The Committee determined that the current AWE did not reflect the current trends and should not be used to determine any adjustment. Council passed a motion to freeze their salary in 2021.

The Committee also reviewed the Council pension plan. The plan is similar to LAPP as a Defined Benefit plan. The focus of the Committee recommendations centered on the Supplemental Pension Plan, which only the Mayor participates in. While the details of the plan were not provided, it is safe to assume that the Supplemental Plan exists to address the fact that a portion of the Mayor's salary is not covered by the Council Plan. As with LAPP, insurable earnings are limited to the Yearly Maximum Pensionable Earnings (YMPE). This is the maximum salary amount on which you need to contribute. Since the Mayor's overall salary exceeds this maximum, the supplemental pension is designed to ensure the excess amount. In other words, to ensure that the individual has pensionable earnings based upon their entire salary, not just a portion thereof.

Supplemental pension plans are not unusual, and it brings a level of fairness to pensionable earnings. Since the rest of Council has a lower salary, all of their salary is pensionable. Simply because the Mayor's salary is higher should not be grounds to penalize the individual in the position. The Canadian Taxpayer's Federation and Canadian Federation of Independent Business take great effort to mischaracterize these supplemental pensions. They like to call it double pensions, or double dipping. This is simply not true. As noted, it simply ensures that all earnings are pensionable.

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REMINDER!

CHILDREN'S CHRISTMAS GIFT PICK-UP SCHEDULE

If you have registered your children prior to November 13, 2020 for the 2020 Children's Christmas Gift Event, the gifts will be available for pick at the Union Office, at the following times:

Friday Dec 11 - 11:00 am - 5:00 pm

Saturday Dec 12 - 11:00 am - 3:00 pm

Monday Dec 14 - 11:00 am - 3:00 pm

LOCATION: 1439 - 9 Ave SE, Inglewood

On street parking available or additional parking is available at the back of the building. Please enter through the Main (front) door.

Special procedures will be in place at the office to maintain social distancing guidelines. Please limit attendance to one family member. If you are requesting to pick-up gifts, pre-registered, for a colleague, you will be required to provide written proof of this request.

Take the Politics Out of Pensions (and Compensation)

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Unfortunately, there are those Councilors who have politicized the compensation process as well as pensions. Making short-sighted and politically motivated decisions around these important issues only serves to undermine the Council as a whole. It also undermines the compensation philosophy espoused by the City, namely, that total compensation is designed to attract highly skilled and diverse candidates to run for office. The City of Calgary is a large organization, by every standard. Its annual budget outstrips that of many businesses. Salaries and pensions need to reflect this level of responsibility.

With an election one year away, one has to wonder if this is nothing more than an attempt to undermine Council positions and try to limit the field of quality candidates from entering into the race.

LAPP Ends Coordination Option January 2021

In the October meeting of the LAPP Sponsor Board, a decision was made to end the practice of allowing members to take a coordination option on their retirement from the Plan. Coordination will no longer be available to members who start their pension on or after January 1, 2021. This decision was made following long-term, sustained evidence that members who chose coordination consistently regret their choice once they realize they will be paid a reduced pension for the rest of their lives, no matter how long they live. Feedback from our members clearly shows that people are not understanding what they chose.

Coordination is a feature of LAPP that allows some members to receive a temporary increase to their pension until they turn 65. After age 65, the coordination increase is removed and the LAPP is pension is reduced permanently. The coordination reduction continues for as long as the member lives and often adds up to many more years with a reduced pension than years with a higher pension.

"The theory of coordination makes a lot of sense, but the issue we run into is that reality isn't always consistent with theory and there's several members who never understood the implications properly," says Phil Rivard, VP Pension Policy and Funding for LAPP Corporation.

Coordination is not a loan that gets paid back by the member over time, it is a redistribution of the pension on an actuarial basis. Over many years, members thought of the option as a way to "frontload" their pensions, not understanding how it works. Many members have written to LAPP Boards over the years to say they misunderstood the option and regret their decision. Unfortunately, once any member chooses a pension option, the law does not allow LAPP to reverse the decision. Choosing a pension option is always a final decision.

Coordination was really designed for people with a shortened-life expectancy in mind. Now that the *Employment Pension Plans Act* (EPPA) includes pension unlocking provisions for people facing shortened-life expectancy, the benefits of removing coordination outweigh the benefits of continuing with this option.

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LAPP Ends Coordination Option January 2021

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“There’s lots of behavioural economics out there, with respect to people making decisions related to their own financial gain. What it teaches us is that people often choose what’s right in front of them and looks really good, but it isn’t always the best choice,” says Sheri Wright, VP of Stakeholder Relations and Communications for LAPP.

The Plan neither gained nor lost financially on an aggregate basis by offering this option, and as such, the elimination of the option has no positive or negative cost implications for LAPP.

Charitable Causes

Over the past few newsletters, we have detailed the changes to the Labour Code by the UCP government. Specifically, the attack on unions and attempts to silence our voice for positive change in society.

Unions across the province have launched a constitutional legal challenge to these changes. Unfortunately, such challenges take time. We anticipate it will take three to four years to win back our rights through the courts.

In the meantime, Local 38 will abide by the law as it stands. One of the changes requires Unions to determine what part of their budget is spent on social causes and charities. We are then required to get each member to agree to participate in these activities. With over 5,000 members in Local 38, this is an unrealistic goal. To this end, Local 38 Executive has made the decision to withdraw from all activities related to social causes and charities. Excluded activities include:

- Support for the Mayor’s Food Drive
- Support for the Aspen Foundation on Labour Education
- Donations to the Alexandra Centre of the unclaimed gifts from the Children’s Christmas Party
- Support for the Bow Valley Women’s Shelter
- Affiliation to the Alberta Federation of Labour

Once the Regulations for the new legislation are released, Local 38 will be issuing a letter to each member indicating that we have withdrawn from all social causes and charitable work. We do not take these decisions lightly; however, the draconian legislation of the provincial government has effectively prevented us from supporting worthy causes.

Once the legal challenges are complete, we are confident we will be able to continue to support these causes.

Prioritizing in Calgary

Excerpt from one of the two 2020 CUPE Local 38 Scholarship Winners

When contemplating what issues Calgary based unions should be prioritizing for the next few years; there are an array of options to choose from. 2020 has afforded communities and workplaces a plethora of social and health issues to capture our attention and demand our understanding. If our changing lives can be approached as an opportunity to develop our adaptability in the face of adversity, we can look at 2020 as a learning opportunity. The three priorities for Calgary based unions should be acclimating to our new circumstances from Covid-19, increasing mental health resources for employees, and evolving our practices to adopt the calls to action from Black Lives Matter.

Covid-19 has required many unionized employees to change their practices in how and where they work. “If the pandemic has taught us anything, it is that legacy work styles aren’t as crucial as we formerly thought.” (Brake, 2020). Unionized employees make up a significant portion of the population, so having these people execute their work in a Covid-19 safe manner, reduces the spread of the virus. Unionized employees taking the correct Covid-19 precautions can create safety not just for their co-workers but also for fellow citizens (Firouzi-Naeim et al., 2020, p. 4).

The additional demands of Covid-19 placed on everyone is a personal tax on all people and families. Regardless of how everyone is coping, the increased demands on people’s personal and professional lives are apparent, requiring more effective mental health resources for employees to be available. Professionals are managing more than the prior status quo with the addition of Covid-19 procedures and added care for clientele (Stelnicki et al., 2020). Unionized employees are more likely to have health coverage (Firouzi-Naeim et al., 2020, p. 5). But is the typical coverage sufficient to manage the increased demands? Unions and the negotiation opportunities they offer provide more mental health security for their employees (Wels, 2020, p. 7).

Covid-19 has amplified the need for meaningful outcomes in a time-sensitive manner required to adequately support staff (Fay et al., 2020, p. 4). Unionized employees are working under increased strains to provide the same, if not better service. The additional gravities of Covid-19 adaptability, mental health stability, and understanding complex social issues make unionized employees in further need of their union’s support. These unprecedented times have increased feelings of uncertainty. Uncertainty can be debilitating, but having a voice and a seat at the table is empowering. The opportunity to negotiate, seek support, and demand change are all afforded by union membership. Never has the need for more effective union support been more paramount.

REGULAR MEMBERSHIP MEETING

*All CUPE 38 Card Carrying Members
Invited to Attend*



When: Tuesday, November 24, 2020

at 7:00 p.m.

Where: Via ZOOM

(SEE FRONT PAGE FOR DETAILS)

Business: Regular