

THE CUPE CONNECTION

Official Publication of the Canadian Union of Public Employees, Local 38
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The Value of a Workplace Pension

The following is an excerpt from a new study outlining the value of workplace pensions in Canada.

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 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 will 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, Canadians 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 have 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 nearing 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.

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Sunday, March 8 is International Women’s Day

In 1910, Clara Zetkin, the leader of the Women’s Office for the Social Democratic Party, proposed a day in which women could celebrate and coordinate their efforts worldwide. This has been a day celebrated, internationally since 1911, now known as International Women’s Day. In some parts of the world, such as Russia, Ukraine, Afghanistan, Cuba, Cambodia and Vietnam, it is an official holiday that is treated similar to Mothers Day. Children, husbands, brothers, fathers and grandfathers celebrate and honour the women in their lives with flowers and handmade crafts.



This International Women’s Day, reflect on “where we are today”. With the 2015 Academy Awards showing so many famous people using their acceptance speeches to champion their social causes, it is no surprise that one actress made her comments in support of wage equality for women. While she has received much criticism over the comment because she is considered “well off”, her claim that it affects her too is not exaggerated. Statistics show that actors in leading male roles of movies make 60% more than their leading lady co-stars. This is a huge discrepancy in wages based solely on gender is unacceptable, regardless of the sector of employment.

Some of the millennium generations, both male and female, feel that women have “won the battle”, and that they are on equal footing with their male counterparts. That illusion is most prevalent in North America, where it seems that women have equal benefits in regards to our rights, education, political voice, and opportunities that men do. In fact, with more women in the boardroom, in politics and increased critical mass of women’s visibility as impressive role models, it would seem that we have gained true equality. The reality is the “dirty little secret” still hiding in our wage gap, and yes, it still exists in North America, along with every other country in the world.

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Advance Notice of CUPE Local 38 Elections

At the Regular General Meeting April 28th, 2015 the following positions will be open for a two (2) year term:

- 1) Business Agent
- 2) Vice-President
- 3) Recording Secretary
- 4) Five (5) Executive Members-At-Large



To be eligible for nominations for any of the offices, members must have attended at least 50% of the Regular General Meetings in the twelve (12) months immediately prior to the election. The member must be present at the April meeting, or indicate in writing to the Recording Secretary a willingness to stand for nomination.

In accordance with the CUPE Local 38 bylaws, in order to be eligible for the office of Business Agent, Vice-President and Recording Secretary, a member shall declare their intention to run at the March Regular Meeting. This declaration can be made verbally at the March meeting or by submitting a written declaration witnessed by another member which is to be read at the March meeting.

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The study recommends an expansion of inexpensive workplace pension plans or public pension plans, like the 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 saved 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 a foregone conclusion. There are plenty of viable alternatives available to policy makers that would improve the system for all Canadians.”



For more detailed information go to www.policyalternatives.ca to review the full report “The Feeling’s Not Mutual”.



RETIREMENT BANQUET & DANCE

HONOURING OUR 2014 RETIREES

(all members welcome)
at the

Valley Ridge Golf Club
11618 Valley Ridge Park NW
Saturday, May 23rd, 2015

Doors open at 6:00 p.m.
Dinner at 7:00 pm
Presentations & Dance to follow
\$25.00 per person

For tickets please contact the Union Office
at (403) 233-2700

THOUGHT FOR THE MONTH



Enjoy the little things in life - one day you'll look back and realize they were the big things.

~ Kurt Vonnegut

Scholarships Available

CUPE Local 38 offers two scholarships in the amount of \$1,000.00 each, to be awarded in October of each year. These scholarships are open to card carrying members, or their eligible dependents. Each applicant must be enrolled in full-time, post-secondary studies, and they must submit a one thousand (1,000) word essay 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.

The essays will be assessed on the following criteria: quality of research, degree of analysis, and adherence to the chosen topic. Submissions will be evaluated by CUPE Local 38's Public Relations and Education Committee. Please note that all submissions must clearly indicate the chosen topic.

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 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.



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Belgium holds the status of having the smallest wage gap between men and women than any country in the world, yet there is still a 6% gap. In Canada, on average, women bring home 20% less than their male counterparts. This is not because of education levels because women make up just over half of

all university graduates in Canada, yet they still earn 10-30% less than men with comparable education. The top three most popular occupations for women with a university education are teacher, nurse and administrator, yet in all three sectors women are paid less than men. These statistics show an ever widening gap when one looks at the inequality in wages of Aboriginal women versus non-Aboriginal women and men doing the same jobs.

Clearly, the gender pay equity gap still exists in our modern world, and the struggle is significant. The sensible approach is equal pay for equal work. The Union movement has been chanting this slogan for many years and those fortunate enough to belong to a Union see much less of this inequality. We need to expand our thinking globally (think Belgium) and act locally to make this practice unacceptable by our standards. Honour women this International Women's Day and every day, and fight for true equality.



***Tickets are selling fast...
avoid disappointment...
get your tickets today!!!***



Calgary Roughnecks

Versus

Toronto Rock



Saturday March 28th, 2015 @ 7:00pm
at the Scotiabank Saddledome
For Redneck Nite

Hosted by Duck Dynasty Cast Members
John Godwin & Mountain Man

\$10.00 per ticket
(limit 4 tickets per member)

Purchase your tickets by calling the Union Office
@ 403-233-2700

REGULAR MEETING



Tuesday, March 24, 2015

7:00 p.m.

Union Office

1439—9th Avenue South East

BUSINESS: Regular

- 1) Election of up to three (3) delegates to Alberta Federation of Labour Convention - April 16-19, 2015 in Calgary

Declaration of Intention to run for Officer Elections: Please see Page 2 for “Advance Notice of Elections” information