



Tel: 604-273-5722 | **Fax:** 604-273-5762 | **Toll Free:** 1-866-273-5766 | **Toll Free Fax:** 1-866-273-5762
105 - 21900 Westminster Hwy., Richmond, BC V6V 0A8
info@apbc.ca | www.apbc.ca

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Dear Members:

The Union has been made aware that the Public Service Pension Plan partners, the BC Government Employees Union (BCGEU) and the Government, are currently discussing significant changes to our public service pension plan (PSPP).

Some of the changes being contemplated may result in:

- **An increase to the age at which we can retire on a full pension**
- **A decrease or elimination of the 'bridge' payment meant to provide the same total pension you receive both before and after you start to receive the CPP at age of 65.**

While we have not yet been provided full details about the possible changes, nor is it clear yet what the full impact will be on Local 873 members, we were told that these changes are being contemplated in order to "improve equity in the plan". We are very concerned that certain benefits that we have bargained and paid for in order to retire early with a full pension, will be eliminated in favour of benefit improvements for others in the Plan.

Regrettably, due to plan rules, CUPE 873 and other non-BCGEU unions in the PSPP are unable to participate directly in these negotiations on plan changes. However, the Executive of CUPE 873 have retained a prominent legal firm which specializes in pension issues. Our lawyers are currently corresponding with the Plan Partners (BCGEU and Government) to voice our opposition to any Pension Plan changes which adversely affect our members, and to indicate that we will fight them. As well, we have hired an actuary who will be able to advise us on the impact of any changes. CUPE National is providing funding for these legal and other costs. They and several other unions are also alarmed by the Plan Partners' actions.

To be very clear: CUPE 873 does not agree with, or support the proposed changes as they have been described to us currently. We see this as a significant concession to the benefits our members have bargained, and thus bought and paid for. We will vigorously oppose any reduction to the retirement benefits of our members.

It is important to note that to date no final agreement to change the plan is in place between the Plan Partners that we are aware of. Members should not make decisions on their pension or retirement based on this communication, or any speculation as to what the Plan Partners are negotiating. Wait until the full extent of the changes, if any, are known.

Your Executive continues to work closely with legal counsel and will update you on this important issue as more information becomes available.

Provincial Executive Committee

PEC/km/MoveUp