of British Columbia - CUPE 873



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March 27, 2017

Attention: All Members CUPE Local 873

Dear Members;

## Re: Member Update - PSPP Issue

The Executive have been advised by the BCGEU that discussions between the Plan Partners about the Agreement in Principle (AiP) are currently stalled. There is no consensus on the move to a flat accrual rate (same formula for all income regardless of the YMPE) or the elimination of early retirement (Factor 80 or 85) benefits. PSPP representatives have also confirmed this. As a result, the current retirement rules for Paramedics are maintained, at least for now.

As previously advised, the Public Service Pension Plan (PSPP) Partners (BCGEU and Government) signed an AiP in June of 2016. Included in this AiP was the elimination of the rule of 80 which allows for early retirement on a full pension for Full Time Paramedics.

Your Executive was made aware of the contemplated changes in August of 2016. We found eliminating the early retirement provisions for Paramedics unacceptable and challenged the Plan Partners on it. With the financial assistance of CUPE National, your Executive retained legal counsel specializing in pension law.

As noted in previous updates, an actuary was also retained. Our legal counsel and actuary identified that the changes to the early retirement provisions significantly impacted Paramedics in a negative way. Again, <u>unacceptable</u> to Paramedics who need the ability to retire at 55 without a reduction in their pension given the nature of our profession and its toll on us physically and mentally.

Since being retained, our counsel has worked aggressively on the issue. As well, President Barter met with senior employer and health ministry representatives voicing our objections to changes in the early retirement benefits we currently enjoy; early retirement benefits Paramedics have negotiated and paid for.

This latest news from the Plan Partners is good for Paramedics and other plan members. Thank you to our lawyer, actuary, CUPE National and many others that have been working to ensure the early retirement provisions of our plan are maintained.

At this point, we are cautiously optimistic that the proposed changes that would have negatively impacted Paramedics and certain other Public Service Pension Plan members will not go ahead. We are also hopeful that with continued dialogue with the Member Plan Partner (BCGEU) and the PSPP,

we will have an opportunity to closely examine and rationalize (if necessary) the way in which the Plan delivers benefits to Paramedics. The Executive continues to work with our lawyers and actuary to this end, and in the event the Partners resurrect the AiP in the future.

It is important to note that members should not make decisions on their pension or retirement based on this communication, or any speculation as to what the Plan Partners were negotiating.

Sincerely,

Provincial Executive Committee Ambulance Paramedics and Emergency Dispatchers of BC CUPE Local 873

TM/sw/MoveUp

