ACER CART Talk – ARTA-CART

I very much appreciate the opportunity to speak to you about the Canadian Association of Retired Teachers. It may come as a surprise to some of you, but you are all members by virtue of your membership in ARTA. All together we have about 170,000 members in every province and in Yukon.

As the new CART president, I am really encouraged and supported by my Alberta colleagues. It is fair to say that I wouldn’t have become President without your Gordon Cumming and my BC colleagues blowing up the campaign balloons. And now I have the added pleasure of working with Laurence Wrycan and your past president, Marilyn Bossert who is our Communication committee Chair and Western Canada Representative on our Board. You know, better than I, what a gem she is, and she has already accomplished amazing things with our new Website and with the support of Daniel and the skills of Tony. We owe you all.

Our purpose as a national body is promote cooperation and assistance among our member associations. We develop strategies for joint action on matters of common concern and we support public education. You may recall the federal election issues brochure that we developed with like-minded organizations and distributed through provincial retiree associations like yours. It’s a non-partisan document, just focused on seniors’ issues.

I got involved with ACER CART because of my interest in protecting pensions. I was a Trustee of the BC Teachers Pension Fund for 11 years and served 3 years as Chair of that Board. Very early on in that stint I became aware of the threats to defined benefit pension plans. If you were like me we didn’t really think about pensions at all for most of our career. Then, when retirement came in sight, we really started to focus. Now we know that defined benefit pension plans are the most efficient, the cheapest, way to provide secure retirement income. Why is it the cheapest? Big pots of money, professionally invested over the long term provide good returns. Investment costs of about ¼% of assets per year for big plans - compared to retail costs that might be 10 times that amount. It makes a huge difference over the 60 or so years that most of us will contribute and receive our pensions. Our actuary in BC tells us that 80% of the money we receive in pensions, on average, comes from investment returns – just 20% was our and our employers’ contributions coming back to us. That’s cost efficiency.

Now I can understand why big business might want to destroy defined benefit – DB pension plans – their interest is driving down costs so they can maximize executive bonuses and profits.

It’s more difficult to understand why governments want to eliminate DB plans. People with pension plans pay taxes and support the local economy but people without pensions use up government resources through things like guaranteed income supplements and health care subsidies and those come directly out of tax revenue each year. It makes no sense to me, but governments seem to be short-sighted – reduce costs now and never mind that they will be significantly higher at some point in the future. And I guess governments can’t:

* resist the lobbying from the business sector
* and they can’t resist getting their hands on the big amounts of money found in pension plan assets.

All of our provincial Associations are watching, with concern, what is happening in Alberta with the transfer of your pension assets to AIMCO. I’m struggling to understand how that is supposed to be better for you pensioners. And all of us across Canada realize that none of us are safe – our pension security could change at any moment with a signature on a new bill in any of our provinces.

You Alberta members were a huge support on our national on-line petition opposing Target Benefit plans. Target Benefit pension plans are designed to replace Defined benefit plans by eliminating the pension promise and substituting a target. That shifts the pension risk from the sponsor to the pensioner. Whoa, sorry pensioners, we didn’t earn the target this year. That means your pension will be reduced.

With the last election and the replacement of Bill Morneau as Finance Minster the Target Benefit legislation has disappeared. Will it come back? I don’t know. But I do expect that the federal government will be looking for ways to cut their costs given the astronomical debt they have run up in the COVID 19 situation.

Speaking of COVID, another priority for ACER CART this year was highlighted by the revelations of horrific conditions in seniors’ care homes and the tragic number of deaths in our age group. As an Association we have been advocating for a comprehensive National Seniors Health Care Strategy for several years. We asked for a Minister for Seniors – we got that, but not much else. We need a national universal pharmacare plan – 1 in 10 Canadians report skipping filling a prescription because of the cost of their medications. ¾ of million Canadians said that they reduced their food budget to afford their prescriptions. In 2016 374,000 people required additional medical services because they had not filled their prescriptions and that led to 300 unnecessary deaths. And like me you wonder why Canadians pay the second or third highest prices in the world for our pharmaceuticals and why are some drugs covered by provincial plans in Ontario that aren’t covered in Alberta?

The astounding thing is that even the federal government agrees that a national plan would save money – about $900 per person.

So the horrific conditions in long-term care homes is not our only concern. We’re advocating for a system that would prioritize at-home care for seniors rather than in more expensive long-term care homes that need regulation and monitoring. In BC only 3% of our seniors live in care homes – there are many more seniors desperately in need of support and services so they can remain much more happily and healthily in their own homes.

Those are the two big public policy issues that ACER CART is taking on this year. Pensions and Seniors Health Care.

We understand that health care is a provincial matter under our Constitution – not a federal matter. But don’t you agree that health care is everybody’s interest.

We have 2 other more inward-looking objectives this year. Developing better relationships with active teacher groups, in our case that’s the Canadian Teachers’ Federation and the other is elevating the profile of ACER-CART among our own provincial Associations and I appreciate that you have given me an opportunity to do just that.

Soon you will be able to see our new ACER-CART website and I hope you will check it out regularly. Our effectiveness depends on the engagement of our 170,000 members.

Thank you and I wish you every success in the goals and business of your Annual General Meeting.

**Link to Dr. Steve Morgan’s talk on a national Pharmacare plan.**

Pharmacare 1 The Case for a National Pharmacare plan.

https://www.youtube.com/watch?v=h3zcjPskbus