



PENSION AND RETIREMENT INCOME COMMITTEE 2022 AGM REPORT

COMMITTEE MEMBERSHIP:

Members: Martin Higgs Chair
Gordon Cumming
Jim Kavanagh
Claudia Mang
Peggy Prendergast
Gerry Tiede
Roger Régimbal

Terms of Reference:

The Pension & Retirement Income Committee shall:

- a) Respond to requests regarding matters pertaining to pension concerns.
- b) make recommendations to the Executive on matters pertaining to pension concerns.
- c) receive concerns and recommendations from member organizations.
- d) prepare for the Executive proposals and position papers related to pension and retirement concerns with appropriate recommendations.

Report:

We updated our survey to Members to find out about changes to current COLA arrangements, any concerns that they had about pension security issues and requested that they inform ACER-CART immediately if they catch wind of changes about to occur.

There are a couple of provinces where governments are reviewing control of their teacher pension plans and these need to be closely watched. In the COLA area, there are a number of shared risk components to our pension plans. As we emerge from the pandemic, there may well be attempts to find savings in social programs in order to recoup funds which governments have been spending. Unfortunately, as we have seen recently in at least two provinces, teacher pension plans are not immune from political interference or structural change.

In the recent federal government budget, while there was some positive movement in long-term care, dental care and housing, it was disappointing in many areas which would have benefited seniors' economic interests. There was some promise to provide

financial relief for seniors through payments or tax credits to offset rising costs and to ensure that public pensions such as OAS, CPP and GIS reflect the current consumer price index and inflation. There was no movement on protecting pensions from company bankruptcy.

The Committee reviewed the motion from last year's AGM regarding RRIF withdrawals and drafted a letter to the Finance Minister. We noted that seniors' circumstances are different and, depending on their health and financial condition, reduction of withdrawal amounts may not be beneficial. Should the government actually act on our suggestion, we would urge Members to counsel their members to consult good financial advice regarding RRIF withdrawals.

The Committee examined a referral by the Executive on a request to lend our support to a group lobbying the government to change inheritance tax laws affecting single seniors. We recommended that ACER-CART not expend our political capital on this request at this time.

The Pension Committee will continue our watching brief on pensions and the actions of the federal government in particular. As members of ACER-CART, we need to continue to advocate for more secure incomes for older adults including pension plan protection for retirees and improvements to the Canada Pension Plan and to be wary of and respond to threats to defined benefit plans.

Respectfully submitted

Martin Higgs (Chair)