

Protect Your Pension!



In early September, without obtaining concurrence from 3 of the 4 participating unions, the P.E.I. Government decided to make significant changes to the pension / Civil Service Superannuation Fund.

Government's Plan

Method of Pension Calculation

- **"Career Average Plan"** (all salary averaged to determine your pension payout) instead of the current "Final Average Plan" (best 3 years salary averaged to determine your pension payout). **This change will mean lower pensions.**
- A "Career Average Plan" includes lower salaries from the beginning of an employee's career. The "Career Average Plan" will not be retroactive, however, it will be factored into all future pension earnings. This change will affect **all members** who have not yet retired and will **most affect** employees in the **early and middle** stages of their career.

Pension Eligibility

- Beginning in 2019, retirement will be delayed by two years (must have 32 years of service or be 62 years of age).

Pension Inflation Protection / Indexing

- The cost of living increases, which retirees receive each January, **will no longer be guaranteed** under the government's plan.

UPSE's Alternative Plan

On October 2nd, UPSE and CUPE presented an **Alternative Plan** to government which does not have such a drastic effect on benefits compared to the government's plan.

Method of Pension Calculation

- **Final Average Plan** - best 5 years salary averaged to determine your pension payout.

Pension Eligibility

- Beginning in 2019, retirement will be delayed by two years (must have 32 years of service or be 62 years of age).

Pension Inflation Protection

- **Guaranteed** indexing - at least 60%.

Pension Governance

- The pension would be governed by the participating unions and government (**Joint Responsibility**).

UPSE Needs Your Help to Protect Your Pension!

- UPSE has communicated with the membership on this issue since **September of 2011** through numerous articles, letters, meetings, and advertisements.

To update yourself on this communication see the **"CSSF Working Group Pension Discussion Updates"** link on the UPSE website (www.peiupse.ca).

Take Action to Protect Your Pension!

The Provincial Government's proposed changes to your pension plan have not been carried out yet! Ask your MLA to consider other options:

- Use a **"Final Average Plan"** based on your best five years of salary.
- **Guarantee** some level of indexation - at least 60%.
- Restore the pension to the 100% funded level (UPSE's plan) as opposed to over-correcting the funding level to 122% on the backs of members (Government's plan).
- Please sign a **pension protection letter** and return it to UPSE. We are sending the letters to MLAs, the Minister of Finance, and the Premier - all copied to the Opposition and the NDP.

Let's work together to protect the pension!