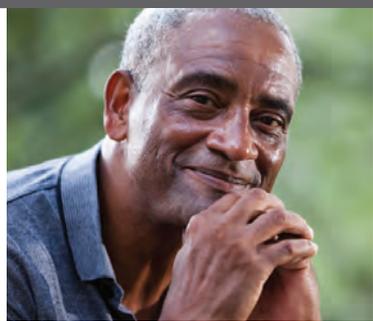




**The  
Government  
is gutting the  
pension you  
paid for.**



**Updated Information as of February 24, 2014**



**Take action at  
[TruthAboutAlbertaPensions.ca](http://TruthAboutAlbertaPensions.ca)**

**The Government is gutting the pension you paid for — while padding the pensions of senior managers.**

Alberta's public-sector pension plans are the cornerstone of retirement security for 290,000 working Albertans and current retirees.

## The pension you paid for

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Alberta's public pension plans are paid for with the wages you work hard to earn.

Yet the government is making changes to gut Alberta's pension plans without negotiating with you or any of the other workers who help pay for them.

If the government's proposals are enacted, hundreds of thousands of Alberta public-sector workers will have to work longer and pay more out of their own pockets to receive pensions that are significantly smaller and less secure.

For younger workers, who will work most of their careers after the government's change-over date of Jan. 1, 2016, the cuts will be particularly severe. The value of the pensions earned by these workers could be slashed by 25 per cent or more.

To add insult to injury, at the same time that the government is cutting benefits for front-line workers, money is being plowed into a retirement plan for senior managers.

### The government's unjustified attack on pensions

The government wants to eliminate guaranteed inflation adjustments for public-sector pensions

They want to put early-retirement out of reach for the majority of workers

The value of a younger worker's pension could be slashed by 25 per cent

**12%**

**AVERAGE AMOUNT OF WAGES PUBLIC SECTOR WORKERS PAY EACH MONTH TOWARDS THEIR PENSIONS**

**25%**

**AMOUNT BY WHICH THE REDFORD GOVERNMENT PLANS MIGHT REDUCE THE VALUE OF ALBERTA'S PENSIONS**

# An end to inflation protection and early retirement.

Alberta's public-sector pension plans are the cornerstone of retirement security for 290,000 working Albertans and current retirees.

## Eroding your retirement security

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The changes being rammed through by the government will make pensions less stable and secure because modest cost-of-living adjustments will no longer be guaranteed.

This means the real value of your pension is likely to be eroded over time. The longer you live, the less your pension may be worth.

Currently, workers covered by provincial pension plans like the Local Authorities Pension Plan (LAPP) and the Public Service Pension Plan (PSPP) make slightly higher monthly contributions so they can qualify for unreduced pensions before age 65 if their age and years of service add up to 85.

Under the government's plan, most workers will only have access to early retirement later, and with stiff penalties. This will put retirement out of reach for the vast majority of workers.

### Government fails to make a case for cuts

Public-sector pension plans are the cornerstone of retirement security for more than 290,000 working Albertans and current retirees.

If they are going to undermine the financial security of this many people and their families, then they have an obligation to prove why such drastic action is necessary.

But the Premier has failed to make her case. Experts agree that even without changes Alberta's pension plans are healthy and getting healthier.

# 290,000

THE NUMBER OF ALBERTANS WHO DEPEND ON  
PUBLIC PENSION PLANS

**Alberta's pensions  
are some of the  
most stable in  
North America. So  
why make reckless  
changes?**

Alberta's public-sector pensions provide modest benefits to retirees. The average pension pays between \$1,200-\$1,400 per month.

## Plans are in good shape

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The government says changes are necessary, but they've provided no proof that Alberta's public-sector plans are in crisis

The government can't produce evidence because there is no crisis.

The experts who currently manage the LAPP and the PSPP have concluded that the plans are healthy.

That's the same view held by an independent actuary recently hired to assess the health of Alberta's pension plans. He concluded Alberta's plans are actually on track to get healthier over coming years — even without making any changes to current benefits.

### Negotiate, don't dictate

These pension plans are paid for by thousands of ordinary Albertans. Those citizens should have a voice in this process.

Instead of dictating, the government should negotiate with the people who pay for the plans.

## Is my pension sustainable?

**DESPITE WILD CLAIMS FROM POLITICIANS, EXPERT ANALYSIS SHOWS THAT ALBERTA'S PENSION PLANS ARE HEALTHY AND GETTING HEALTHIER.**

# \$1,200

**AVERAGE MONTHLY PUBLIC-SECTOR PENSION PAY**

# Making things worse, not better.

What the government wants: An end to all early-retirement benefits and the elimination of guaranteed inflation-protection for pension benefits.

## Unnecessary changes

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The government's changes are not only unnecessary, there's also a high likelihood they will undermine the health of Alberta's pension plans, instead of improving it.

For example, they want to impose a cap on contribution rates, a move that will take away the flexibility that experts say plan managers need to keep our pensions strong.

These changes are reckless and irresponsible. In the name of sustainability, the government changes will actually make Alberta's pension plans less sustainable.

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**WHAT THE GOVERNMENT WANTS:  
TO ELIMINATE GUARANTEED INFLATION  
PROTECTION AND TO PUT EARLY  
RETIREMENT BENEFITS OUT OF REACH  
FOR THE VAST MAJORITY OF WORKERS.**

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### **The government focuses on cost, but ignores benefits**

The government is focused on the costs of running Alberta's big pension plans, but she ignores the benefits — benefits which will be weakened if she's allowed to go ahead with her attacks on retirement security.

Pensions like the LAPP and the PSPP mean that tens of thousands of Alberta seniors don't have to rely on tax-funded programs like the federal Guaranteed Income Supplement (GIS) or the provincial seniors' benefit.

Good pensions mean that Alberta seniors can live in dignified self-sufficiency, without being a burden on taxpayers.

# \$1 Billion

**AMOUNT THAT ALBERTA'S PENSIONS GENERATE IN INCOME  
FOR PENSIONERS ANNUALLY. THAT'S MONEY THAT GETS  
SPENT IN ALBERTA BUSINESSES & COMMUNITIES.**

**The government  
is spreading  
misinformation  
to justify a  
foolish plan.**

Alberta's public-sector pension plans are the cornerstone of retirement security for 290,000 working Albertans and current retirees.

## **Government is manufacturing a crisis**

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The government has presented no long-term accounting or actuarial evidence showing that Alberta's pension plans are unsustainable. Instead, they've trotted out misleading political talking points.

They talk about Canada's aging population, while Alberta has the youngest workforce in the country.

They also talk about how people are living longer, but increased longevity has already been factored-in by the same experts who say Alberta's plans are sustainable without changes.

And they talk about "unfunded liabilities" that are really much smaller than the government suggests and which which experts say will disappear in a few short years, even if no changes are made.

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**DECENT, SECURE PENSION PLANS HAVE TRADITIONALLY BEEN THE MOST IMPORTANT TOOLS AVAILABLE TO PUBLIC SECTOR EMPLOYERS WHEN IT COMES TO ATTRACTING AND RETAINING STAFF.**

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### **Pension cuts will be bad for the province**

As the devastating floods in southern Alberta demonstrated, Albertans benefit from having highly qualified public-sector workers to help us deal with emergencies and the day-to-day challenges of living in a growing and dynamic province.

Given the fact that private sector salaries are usually higher in our province, attracting and retaining workers has always been a challenge for Alberta's public sector.

That challenge is going to get even bigger if the Redford government is allowed to gut public sector pensions.



**THERE IS NO CRISIS. PENSION COSTS ARE SLATED TO GO DOWN, NOT UP... EVEN WITHOUT ANY CHANGES TO BENEFITS.**

**Pension benefits  
are modest...  
and they're  
earned.**

Alberta's public-sector pension plans are the cornerstone of retirement security for 290,000 working Albertans and current retirees.

## Modest pensions that help the economy

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The government clearly hopes to win public support for attacks on public-sector pension plans by taking advantage of widely held negative stereotypes.

But the truth is the pensions enjoyed by nurses, firefighters and other public sector workers are not tax-funded giveaways — they're paid for by contributions deducted each month from workers' paycheques and from roughly matching contributions from employers, provided in lieu of higher wage increases.

Pension benefits are also not "gold-plated." The average PSPP pension pays out \$1,200 a month and the average LAPP pension pays out about \$1,400.

Alison Redford's changes will transform pensions that are modest and barely adequate today into pensions that will make it difficult for Alberta pensioners to maintain a decent, middle-class standard of living.

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### Ignoring the real problem

The problem in Alberta is not that public-sector pension plans are unsustainable, all the available evidence demonstrates that they are.

The real problem is that 70 per cent of Alberta workers have no workplace pension plans at all.

So, instead of attacking the minority of Albertans who have some measure of retirement security, the government should be focusing on providing help to the majority who are facing an insecure retirement.

A good place to start would be to stop opposing the kind of reasonable expansion to the Canada Pension Plan (CPP) that is supported by almost every other Canadian province.

Interestingly, an expanded CPP would also have the effect of bringing down costs for public-sector plans like the LAPP and the PSPP because workers would be able to save more through the CPP.

# 70%

**NUMBER OF ALBERTA WORKERS WHO  
HAVE NO WORKPLACE PENSION PLANS  
AT ALL.**

**The government is gutting the pension plan you paid for.**

**This is where y**

**TruthAboutAlb**

Find out how much you stand to lose with our pension calculator

**You fight back:**

**ertaPensions.ca**

Send a letter to the  
Premier and your MLA  
with our letter-writing tool

# You can take action to stop The Government's pension attack at [TruthAboutAlbertaPensions.ca](http://TruthAboutAlbertaPensions.ca)



**SEND A LETTER TO THE PREMIER AND YOUR MLA USING THE INTERACTIVE LETTER WRITING TOOL**



**SPREAD THE WORD BY SHARING THE CAMPAIGN ADS WITH YOUR FRIENDS AND FAMILY**



**FIND OUT HOW MUCH YOU STAND TO LOSE WITH OUR PENSION CUT CALCULATOR**

 **UFCW**  
UNION OF FOOD AND COMMERCIAL WORKERS

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