INFO-NEGO 8
FEBRUARY 19, 2010

WITH NEGOTIATIONS, EVERYBODY WINS!

CSN

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Pensions

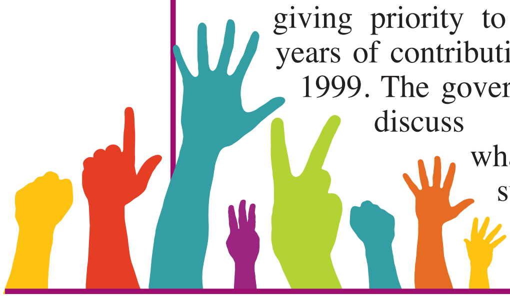
For a more stable and secure pension plan

On February 18, the bargaining talks at the central table were mostly about pensions. Negotiators for the Common Front and the Conseil du trésor received a report from the working committee on pensions. This joint committee spent the last few weeks examining and evaluating various hypotheses before making recommendations to the bargaining parties. Any further talks will now take place directly at the central table.

We agree on the need to review the way the pension plan is funded, as well as certain terms and conditions for a change in the funding method. But there are three stumbling blocks to this major change.

1 First, we don't agree on how big the stabilization fund should be. The stabilization fund is a kind of contingency reserve fund that would act as a buffer against the ups and downs of financial markets. The government wants a fund equal to 15% of the plan's obligations. The Common Front's position is that this figure should be 10%.

2 Next, we don't agree on how surpluses should be used when the fund's assets exceed liabilities by 20% or more (liabilities being the plan's future obligations plus the stabilization fund). We would like surpluses of between 10% and 20% of liabilities to be used to cushion fluctuations in contribution rates. As well, we think that surpluses of more than 20% should be used to improve the plan, giving priority to indexing benefits for years of contributions between 1982 and 1999. The government doesn't want to discuss any improvements whatsoever: it wants surpluses to be used to cushion contribution rates indefinitely.



3 Finally, the government doesn't seem to be at all open to our very important demand for the introduction of varying levels of contribution rates to make fluctuations in rates more stable and predictable in the future.

The parties also agree on reviewing the contribution rate to exempt earnings that are less than 25% of maximum pensionable earnings (MPE), rather than 35% (as is now the case), without this having any effect on low wage-earners. But they don't agree on how the shortfall in contributions to the plan should be funded.

Finally, we agree on raising the cap on the number of contributory years from 35 to 38, so that employees who want to can continue working longer and improve the pension benefits they'll draw. This in no way changes the current criteria for retiring without a penalty.

Note that the government is still making unacceptable demands. It wants to:

- increase the actuarial penalty for early retirement;
- eliminate the bank of 90 days credited when an employee retires;
- make 55 years of age a minimum criterion for retiring.

Accepting rollbacks like these is out of the question!

If the government wants to retain experienced employees,

it has to offer decent working conditions and respect!

it has to offer us retention measures, not detention measures!

Opposing the government's demands for rollbacks,

stabilizing and safeguarding our pension plan,

and defending our pension rights:

These are objectives of the utmost importance!

The only way to achieve them
is to mobilize and make our voices heard!
So make sure you're all there on March 20!

Big national Common Front demonstration

Saturday, March 20, 2010
Gathering point: Place du Canada,
corner of Peel and René-Lévesque West
Departing time: 1:00 p.m.

Join the thousands of demonstrators
marching to Jean Charest's office!
March for respect!

With the demonstration, everybody wins!

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