

PENSIONER NEWSLETTER

A PUBLICATION OF THE NEWFOUNDLAND AND LABRADOR
PUBLIC SERVICE PENSIONERS' ASSOCIATION

SPRING 2003

PROVINCIAL ELECTION IMMINENT

MANDATE STATEMENT

The Newfoundland & Labrador Public Service Pensioners' Association exists to promote and advance the interests of its members by providing a medium for collaborative action on any matter affecting a pensioner's well-being.

BOARD OF DIRECTORS

President-----Bill Shallow
Vice President--- Gerry Conran
Treasurer----- Eric Hodder
Secretary ----- Catherine Fagan
Past-President---Eric Salter

Directors:

Margaret Adey George Campbell
Tom Cooper Ray Hawco
Barbara Hopkins Anne Miller
Jean Ann Rose Ern Shute
Cecil Thomas (Central Branch)

Administrative Assistant:
Maureen Hogan

Editor: Barbara Hopkins
Layout & Design:
Maureen Hogan



PRESIDENT'S MESSAGE *by Bill Shallow*

This is a Special Edition of the PENSIONER NEWSLETTER. The focus is on the up-coming Provincial Election. There are many issues facing us as we try to decide which party or which Candidate to vote for. However, as Pensioners, I strongly urge you to seriously consider issues that concern us as Pensioners.

I have already written the three party leaders. I asked them to clarify where their parties stand on pensioners' right to have a real say about the future of the Pension Plan and whether they support a one-time pension increase to help us make up for our loss in purchasing power since increases were discontinued in 1989. No answers yet.

Elsewhere in this Newsletter, we are asking you and your voting family members to question candidates about these issues. Working together, we can make the candidates and the parties realize that our support for them depends on their support for us.

Our issues are not the only issues, but they are important issues to us. If we don't act and get results in this election many of us won't be here for the next election. Lets show the politicians how united and how strong we can be.

CPP HARMONIZATION

The Provincial Government changed its policy regarding the harmonization of Canada Pension and Provincial Pension. Pensioners were notified by the Department of Finance in a memo which stated in part: "Please be advised that effective January 25, 2002 it is no longer required that Pensioners notify Pension Division if they are receiving early Canada Pension. The integration factor will be applied only when Pensioners reach age 65."

Since then our office has received many calls from our members on this matter. Those who reported receipt of Canada Pension before age 65, had their Provincial Pension cut immediately.

Those who did not report receipt of Canada Pension did not have their Provincial Pension cut until they turned 65.

Our Association contacted Pension Division on numerous occasions and was told that the Legislation change as of January 25 had no retroactivity for those who reported receipt of Canada Pension at age 60+ but who were not yet 65.

Since then, Fraser March, The Citizen's Representative has taken on this issue due to the number of complaints he's received. He will be preparing a Special Report on Harmonization of CPP to be presented to the House of Assembly.



CALL FOR NOMINATIONS

PENSIONER NEWSLETTER WINTER 2003

The PENSIONER NEWSLETTER provides Public Service Pensioners with current information relating to pension issues, insurance benefits and the ongoing activities of the current Board.

For more information, or to give your comments please contact:

The Newfoundland & Labrador Public Service Pensioners' Association

446 Newfoundland Dr.
St. John's, NL
A1A 4G7
Phone & Fax:
(709)754-5730
1 (800) 563-4188
e-mail:
pensioners@npspa.ca
website:
www.npspa.ca

To meet the challenges under the mandate of the Association we need strong committed leadership at the Board, Executive and Committee levels. Seven (7) positions will become available. Catherine Fagan, Barbara Hopkins, Bill Shallow and Ern Shute will have completed two (2) consecutive two (2) year terms and are not eligible to seek re-election. The Nominating Committee invites you to submit nominations for election to the Board of Directors at the upcoming Annual General Meeting on Saturday, October 18, 2003.

If you are interested in serving as a Board Member, or know of a member who may be interested, please contact Maureen at the Association office by telephoning (709) 754-5730, 1(800)563-4188 or E-mail: pensioners@npspa.ca

PROJECT UPRIGHT *by Catherine Fagan*

Project Upright, a falls prevention program, is a national initiative funded by Health Canada and Veteran Affairs Canada. The purpose of the Project Upright is to promote strategies to prevent falls among seniors and veterans. Provincially, Project Upright involves seniors groups, Health and Community Services Boards, town councils, and other organizations.



The St. John's Regional Group gives presentations about falls prevention to community groups of seniors. Groups who would like a presentation may contact Lisa Paton, Coordinator, or Clarice Cole, Assistant, at (709) 737-2333. Catherine Fagan represents the Newfoundland & Labrador Public Service Pensioners' Association on Project Upright.

Even if you're on the right track, you'll get run over if you just sit there.

Will Rogers



WHERE ARE THEY NOW? *by Barbara Hopkins*

We are pleased to feature Norman Kipnis in this edition. Norman retired in 1987 as Director of Mineral Lands and Mines Division in the Mines Branch of the Department of Mines and Energy after twenty years of service. In 1996 he and his wife, Pam moved to Kamloops, British Columbia to be near their daughter Wendy, who at that time had the only grandchildren. Since then, their sons, Evan and Kit have had two children each.

Norman a.k.a. Skipper is an avid sailor and comes home every summer to spend at least two months on his sailboat - his 'home base'. Norman and Pam also enjoy time with son, Evan and his wife and their two boys who live in St. John's.

During the winter months Norman remains active with a daily routine of Tai Chi and taking K.D. (Kipnis Dog) for long walks. He still enjoys cross-country skiing. He is a member of the Kamloops Amateur Radio Club. Some of you will remember him from the Newfoundland Club during the summer at Signal Hill. Norman is also active with the Seniors Group in Kamloops and currently acts as the proofreader for the Senior Connection, a monthly newspaper.

Norm worked in Mexico before coming to the Public Service and he and his family became proficient in Spanish. Norm and Pam meet on a regular basis for social and conversational evenings with Spanish speaking newcomers to Kamloops.

We extend congratulations to Norman Kipnis on receiving the Netherlands Commemorative Medal for his part in the liberation of Holland during W.W.II. Norm served with the BCR 28th Canadian Armoured Regiment. He received this honour recently at a Regimental Meeting in Vernon, BC.

All the best, Skipper. See you on the Bay!



YOUR OPINION

It is disappointing but not surprising the way pensioners are being ignored by unions as well as government with respect to a voice in the Joint Trustee plan. I personally am not a fan of the plan and would rather see things stay as they are. We have been put out to pasture, so to speak, and are not contributors any more. Both union leaders and government are only interested in the future votes. In my opinion government as trustees is our only chance for accountability.

In a time when investors are jumping ship both from mutual funds and stocks and headed for the safety of government bonds or the like, should we be considering leaving the safety net we have? Newfoundland has more growth than any other Province in Canada. How else can we be assured some security from that economic benefit? We must find a way at least force them to pay off the debt.

That being said we must be informed, keep your foot in the door any way you can. Keep up the good work.

Margaret Wells
Pensioner

WESTERN BRANCH NEWS

At a General Meeting of the Membership of the NPSPA in Corner Brook, in October 2002, attended by Bill Shallow and Ray Hawco, the formation of a Branch of the Association in the Western Region was discussed. There was favourable response and a Steering Committee was appointed to pursue the matter. Since then, Ray and Bill have been in periodic contact with the Committee.

Another General Meeting of the Membership was called for Tuesday, 25 March 2003, at the Royal Canadian Legion, on West Street, in Corner Brook. The main purpose of the meeting was the formation of a Western Branch. In preparation, the Steering Committee did an excellent job of promotion, including contacting members by telephone.

At the meeting, seventy-three members were present, from Stephenville to Deer Lake. Bill Shallow, Barbara Hopkins and Ray Hawco from the Provincial Board also attended. Keith Ambler, Secretary of the Steering Committee chaired the meeting. He welcomed those attending and outlined the purpose of the meeting. Bill spoke to the group on the Public Service Pension Plan and related issues. His presentation was enthusiastically received and was followed by a lively question and answer session.

A Resolution was moved, seconded and unanimously passed to form a Branch of the Association in the Western Region. This decision was followed by an election of a Board of Directors for the new Branch. The following members were elected: Executive: President, Hope Wiseman; Vice-President, Wesley Roberts; Secretary, Keith Ambler; Treasurer, Patricia Cormier; Directors: Bert Hillier, Carole Jardine, Walter Mackay, Agnes McCarthy and Leroy Pike.

After the meeting, Bill, Barbara and Ray met with the newly elected Board to help orient them to their new responsibilities. The Constitution, Action Plan and Committee Structure were briefly reviewed. Bill suggested that they immediately write the Provincial Board of Directors requesting that the new Branch be formally recognized as an official Branch of the Association. He also pointed out that the new Branch, once recognized, will have the right to nominate a member to serve as a member of the Board of Directors of the Association. He further recommended that they meet on a regular basis and plan a number of Branch activities, to which all members will be invited, over the next few months. Finally, Bill congratulated the new Board and assured them of the full support of the Provincial Board.

CENTRAL BRANCH NEWS

by Mike Mackey

An Executive meeting was held on March 30, 2003 at which time all the major areas of concern currently facing the Association were discussed i.e. Joint Trusteeship, Ad Hoc Increases etc. We are committed to furthering the aims and objectives of our Association and continue to recruit and encourage those in the Branch area, who were in the Public Service, to become members.



Dear Fellow Public Service Pensioners,

A Provincial General Election will be called in 2003. Before deciding either to work for or vote for a party or a candidate, please consider some of the realities related to your Pension Plan.

The Public Service Pension Plan, which has been in place since the mid 1960's, is now deeply in debt, with an unfunded liability of approximately \$1.5 billion. This deficit is due, in large measure, to the fact that Government, in the early days of the Plan, did not match and did not invest workers' contributions. Instead, contributions went into the General Revenue of the Province and were spent accordingly.

Government has repeatedly told us that it has a responsibility for all citizens in need and can do nothing special for Public Service Pensioners. We agree that Government, as Government, has a responsibility for all citizens, but we argue that Government, as our former employer, has a special responsibility to its pensioners. We contributed to the Pension Plan and trusted Government to manage it on our behalf. If Government had not mismanaged the Plan in its early days it would not be in the financial difficulty it is today.

It is not my intention to tell you how to vote. I urge you to take this Election seriously. Some will say that pension concerns are too trivial to be considered an election issue. Not to us. It is our bread and butter. Pensioners are getting older. We must act now or it will be too late for many of us. Find out the position of the various political parties and their candidates on matters relating to the Public Service Pension Plan, your pension plan. Question every candidate with whom you come in contact. Ask your family and friends to do the same. Spread the word on the answer, or non-answers, you receive.

Questions to ask the candidates:

1. Do you agree that Public Service Pensioners should have a real say in the future of their Pension Plan?
2. Do you know that pensioners have gone without an increase for 15 years and their income has been eroded by 30%?
3. Do you and your Party support a one-time increase for pensioners to make up for loss of purchasing power since increases were discontinued in 1989?

There are almost 12,000 Public Service Pensioners. With spouses and family members we make up a considerable number of voters. If we ask serious questions of the parties and the candidates before we agree to work/vote for them, together we can make a difference.

Sincerely,



Bill Shallow
President

Visit our Website at:
www.npspa.ca

YOUR PENSION: THE FACTS

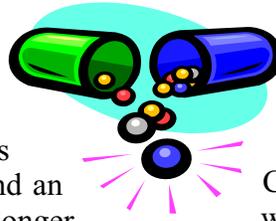
- ☑ **1965** Public Service Pension Plan established. Workers contributed a percentage of their income to the Plan as required. Government did not match. Government put workers' contributions into General Revenue.
- ☑ **1980** Public Service Pension Fund, as we know it, set up. Workers contribute, Government matches, and invests the total. Government did not match and did not invest our money for fifteen years. This practice, along with other factors, has caused the Pension Fund to have a shortfall of around \$1.5 billion. Pension Fund does not have enough money to pay pensions over the long term.
- ☑ **1989** Government used to authorize increases in pensions on a fairly regular basis. These *ad hoc* increases were stopped in 1989 because such increases were further depleting the Fund.
- ☑ **1998** Government workers received a rate increase of 7% over three years. Pensioners received no increase
- ☑ **2001** Government workers received a rate increase of 15% over three years. Pensioners again received no increase.
- ☑ **2002** Government agreed with the Unions to change the Pension Plan from Single Trusteeship to Joint Trusteeship. Under Single Trusteeship, Government has sole responsibility for administration of Plan. Under Joint Trusteeship, Plan would be handled by a Board of Trustees. Unions insist that Pensioners' Association, with membership of 5,000 members, is not entitled to full and independent representation on Board of Trustees.
- ☑ **2002** A form of indexing came into effect in 2002 but limited to a maximum of 1.2% and applies only to pensioners who are 65 or over.
- ☑ **2002** Premier agreed to consider a one-time increase for public service pensioners to help make up for the lost years. Minister of Finance appointed a Committee on which your Association served. Committee recommended a formula to Government. No action has been taken.
- ☑ **2003** A pensioner's purchasing power has decreased by some 30% since 1989. A pensioner's loonie is equal to 70 cents.

HEALTH INSURANCE *by Eric C Salter*

It's Sunday Morning of the Victoria Day weekend and I am sitting at the table in a cottage overlooking Terra Nova Lake. The wind is strong and from the North West with the temperature about 4 degrees Celsius. Fishing is postponed for the morning. What better to do than contemplate an article for the Pensioners' Newsletter?

I guess we are now over the shock of our annual increase in insurance premiums. Gone are the days when the Plan had a surplus. Costs associated with the drug component of the Health Plan continue to be a problem. Newer, more expensive, drugs becoming available, an aging work force and an increasing number of retirees who are living longer, all contribute to the escalating costs. One solution may be a move towards greater use of generic drugs when possible. These drugs are usually cheaper and medically an acceptable substitute. This approach could result in substantial savings to the plan which, in turn, could be directed towards the enhancing of existing benefits and/or stabilization in premium costs. Also, a complete review of all plan benefits has been requested. This is primarily as a result of the many enquiries received concerning transportation mileage rates and the provision of escort services etc. We will keep you informed on the progress of this undertaking.

In consideration of the current situation a review of the Insurance Committee and its Terms of Reference might be useful. The Group Insurance Committee was formed by Minute of Council in 1974. It stated that a Board of Trustees be established to assist in the administration of the Government sponsored Group Insurance Plan. At that time the Board consisted of a Chairman with three management and three union representatives. The Terms of Reference stated, "To keep under review and make recommendations to the President of Treasury Board of the Public Service of Newfoundland (the policy holder) on eligibility, claims settlement, costs (premiums and otherwise), benefits and administration of the Life and Health Insurance Program." Specifically, the Board will report to the President of Treasury Board at least once per annum with an annual report on the year's operations including recommendations on any disposition of surplus funds." Since inception the Committee has grown significantly. Presently all employee unions are represented along with the Public Service Pensioners Association and the Public Sector Managers Association. Nevertheless, the role of the Committee is strictly an advisory one.



Various Public Sector Collective Agreements impact on the Group Insurance Plan. An example would be Article 25.02 in the General Service Agreement which states that the employer will pay 50% of the premiums of the Insurance Plan and the employees will pay 50%.

To summarize, one can see it was relatively easy to administer the plan during the years when there was a continuing surplus in funds. Benefits could be amended, upgraded or added with no additional costs to the Plan or its participants. This situation now appears to be history with the primary objective of the Management Committee now being to maintain existing benefits while attempting to keep increasing costs to a minimum. This is now approaching a monumental task. However, we will continue with the struggle on your behalf to meet this objective while attempting to bring some of the existing benefits up to the current rates etc.

I know this information does very little in alleviating the anguish caused by a continuing increase in premiums, especially if one considers that many pensioners have not received an increase in their pension since 1989. This is another reason to lobby your present or prospective MHA re the issue of an increase for pensioners.

Well, the wind has subsided and the sun is shining so its time to get my mind on fishing. So as they say in the field of journalism, "That's 30 for now". Hope you have a wonderful summer and most importantly, good health to all.

EACH ONE - RECRUIT ONE CAMPAIGN

The campaign continues! We are depending on you to recruit one of your friends to become a member of our Association. If each one of us recruits one, our membership and influence will increase dramatically.



IN MEMORY

The Association was saddened by the passing of one of our former Board Members, Vincent J. Rossiter, on December 3, 2002. Vincent served on the Board from 1991 to 1996. We express condolences to his wife Ruth and family.

MEMBERS RECOGNIZED

An Honorary Director Award was established in 2001 to recognize the contribution that an active or associate member of the Association has made to forward the goals of the Association. An individual who is not a member of the Association but has contributed significantly to the work of the Association is awarded a life-time Honorary Membership. While we ask you the membership to submit nominations for the Honorary Director and Honorary Member award, we would also like to recognize Honours received outside the Association. Congratulations are in order for:

Desmond Dillon, Gander, received the Therese Casgrain Award for life long volunteerism with the Canadian Red Cross and Community Health Services.

Eric Hodder, Treasurer, was presented with the Queen's Golden Jubilee Medal at Government House in recognition of his many years as a volunteer with Pottle Centre, Agnes Pratt Home and St. John's Kiwanis.

Frankie O'Neill, St. John's, was recognized by the Canadian Mental Health Association, National Level, for volunteerism in mental health issues.

Catherine Fagan, Secretary and Ross King, former Board Member were nominated for Mount Pearl Citizen of the Year for their extensive volunteer work in many organizations.

Jean Ann Rose, Board Member, was recently elected to the National Board of Directors of the Canadian Mental Health Association at their Annual General Meeting in Ottawa.

Congratulations to all. Please feel free to let us know about members honoured in your area.

SPRING FLING

The Spring Fling, scheduled for Saturday, May 10, 2003 was cancelled. It seems our choice of date was unfortunate as it conflicted with the Daniel O'Donnell Concert. Many of our members, who normally attend our social events, had purchased tickets for the concert. Mother's Day may have been another factor. With summer fast approaching it is too late to organize a replacement event as people will be going on vacation. The AGM will be coming up on October 18, 2003 and we have planned a Christmas Social for November 29, 2003.

UPCOMING EVENTS

The 2003 Annual General Meeting and Conference will take place on Saturday, October 18, 2003 at Hampton Hall, Marine Institute of Memorial University, 155 Ridge Road, St. John's. Details will be outlined in the Fall edition of our Newsletter.

Our Christmas Dinner/Dance is scheduled for Saturday, November 29, 2003 at St. Theresa's Parish Hall, Mundy Pond Road, St. John's. Details in Fall edition of our Newsletter.

CHUCKLE

As a senior citizen was driving on the Trans-Canada Highway, his car phone rang. Answering, he heard his wife's voice urgently warning him,

"Herman, I just heard on the news that there's a car going the wrong way on the Highway. Please be careful."

"It's not just one car," said Herman. "It's hundreds of them!"

Two workmen were approached by a passerby who asked what they were doing...

"Well, we work for the City," one of the men said.

"But one of you is digging a hole and the other fills it up. You're not accomplishing anything. Aren't you wasting the taxpayers' money?"

"You don't understand, mister," one of the men said, leaning on his shovel and wiping his brow. "Normally there's three of us: me, Rodney, and Mike. I dig the hole, Rodney sticks in the tree and Mike, here, puts the dirt back."

"Now, just because Rodney's sick, that don't mean that Mike and me can't work."

Doctor to patient: I have good news and bad news: the good news is that you are not a hypochondriac.



Newfoundland & Labrador
Public Service Pensioners' Association

446 Newfoundland Drive, St. John's, NF A1A 4G7



SPECIAL EDITION

THIS ISSUE...

| | |
|------------------------------|------|
| Presidents Message..... | - 1- |
| CPP Harmonization..... | - 1- |
| Call for Nomination..... | - 2- |
| Project Upright..... | - 2- |
| Where Are They Now?..... | - 2- |
| Your Opinion..... | - 3- |
| Western Branch News..... | - 3- |
| Central Branch News..... | - 3- |
| Letter to Members..... | - 4- |
| Your Pension: The Facts..... | - 5- |
| Health Insurance..... | - 6- |
| Members Recognized..... | - 7- |
| Upcoming Events..... | - 7- |

PASS IT ON!

When you've finished with this NEWSLETTER, please pass it on to another prospective member who may be interested in reading it.



You don't think twice about getting your eyes tested. What about your hearing?

For a **FREE** hearing evaluation call us.

Beltone offers a **10% discount** on hearing aids Plus a box of batteries to all members of **The Newfoundland and Labrador Public Service Pensioners' Association.**

3 Paton Street, Elizabeth Ave. West
St. John's, NF
(709) 726-8083 1(800) 563-8083
www.beltone.nf.ca



Use this coupon to receive 15% off all Breakwater titles

NEWFOUNDLAND AND LABRADOR PUBLIC SERVICE PENSIONERS ASSOCIATION

BREAKWATER BOOKS

Celebrating 30 years 1973-2003

P.O. Box 2188 • 100 Water Street • St. John's • NL • A1C 6E6 • (800) 563 3333

www.breakwater.nf.net • info@breakwater.nf.net

HOME HEATING OIL DISCOUNT



ULTRAMAR is offering our members a **3 cents per litre** discount off the market price on home heating oil and **10% off Furnace Protection Plans.**

This discount cannot be used in conjunction with other discounts that consumers may be receiving. As well, this discount is offered in regions of Newfoundland where ULTRAMAR has **company operated** fuel delivery **only**: St. John's and Metro, Mount Pearl, Avalon Peninsula communities, Grand Falls, Hr. Breton Area, Twillingate/Fogo/Lewisporte Area and Corner Brook. Members of the Association who do not reside in the mentioned areas could contact the closest ULTRAMAR distributor and ask for a similar discount.

If you wish to take advantage of this offer or for more information please call Maureen at (709) 754-5730 or 1(800) 563-4188 or E-mail us at pensioners@npspa.ca