



TEAMSTERS CANADA RAIL CONFERENCE DIVISION 320



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October 30, 2009

Subject: Teamsters and National Pensions.

Dear Brothers and Sisters,

For those of you following National pension reform, please view the appended message from the TCRC National Office.

In Solidarity,

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Teamsters Union participates in the national pension forum

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Source: Teamsters Canada



The Teamsters Union sent two delegates to the National Pension Forum, which took place on October 26 in Ottawa. The purpose of this meeting was to gather proposals for reform in order to calm heightened fears across the country about the future of pension plans.

In addition to the Teamsters Union, major industry stakeholders, non-profit organizations, actuaries, and insurance groups attended this forum to discuss these vitally important issues.

The Teamsters Union's participation in this type of discussion is nothing new. Indeed, for nearly five years, Teamsters Canada's lobbyist in Ottawa, Phil Benson, has been sitting on various labour committees and groups whose purpose is to guarantee Canadians a viable retirement.

"Last week's demonstration seems to have prompted the various political parties to change their position," remarked Robert Bouvier, president of Teamsters Canada. Everything indicates our elected officials heard the message."

We know that the demonstration organized last week in Ottawa by the Teamsters Union and the Nortel Retirees' Protection Committee sparked much interest among Canadians. The former

Nortel workers will soon see their pension checks severed by 30% to 40%, following the equipment manufacturer's bankruptcy. In addition, the former workers at the Flextronics Montreal plant, previously part of Nortel, saw their Retiring Allowance Plan reduced by 90%!

Consequently, the Teamsters Union is demanding that the government amend the Bankruptcy and Insolvency Act so that workers are elevated to the preferred creditor priority level. The Teamsters are also suggesting that the government enact legislation on acquisitions of Canadian companies by foreign owners, in order to force employers to comply with the collective agreements that bind them to their workers.

"The demographic situation is in the process of changing," explained Mr. Bouvier. "The baby boomers will be retiring in the very near future, and it will put considerable pressure on private and public pension plans. We must tackle this situation now, while we still have time."

The address given by Dr. Robert Roberts, president, chief executive officer, and chief scientific officer of the University of Ottawa Heart Institute, informed us that Canadians' life expectancies will increase appreciably in the coming decades. This situation will put considerable pressure on pension plans because Canadians will live much longer.

The National Pension Forum came to the following consensus: industry's main stakeholders, companies, and governments must imperatively reform pension plans within the very next years. Otherwise, the financial health of Canadian pensioners will quickly deteriorate over the next two or three decades.

"Minister Flaherty confirmed that significant reform of pension plans was necessary, and the Quebec government offered its assistance to the Nortel retirees," concluded Mr. Bouvier. "But we must not forget the people of Flextronics who are feeling the direct effects of the Nortel bankruptcy. We are going to continue the battle to bring them justice."

The Teamsters Union represents 125,000 members in Canada in all trades. The International Brotherhood of Teamsters, with which Teamsters Canada is affiliated, has 1.4 million members in North America.

www.teamstersrail.ca