

**MEMBER COMMUNICATION 73**  
**January 10th 2017**



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To our RCMP Membership

The Mounted Police Professional Association of Canada (MPPAC) is joining with the federal unions in calling on the Federal Government to stop its attacks on Defined Benefit (DB) pension plans.

Bill C-27 aims to remove the protection of Defined Benefit pensions and to replace them with Target Benefit (TB) plans. TB pension plans remove the risk elements of a pension from the employer and place those risks onto the individual employees. Under TB plans, pension payments will be linked to general market and economic conditions, or to the specific performance of a pension investment fund which could result in significant reductions in pension benefits for current and future pensioners in times of economic downturns. This means that not only could pensioners lose significant amounts of pension income, but they would suffer that loss at economic times when it would be most difficult for them to find new work and additional sources of income.

RCMP Members have a defined benefit pension plan that guarantees retirement income based on a percentage of your working life income. While Bill C-27 does not seek to change RCMP pensions today it does set the stage for such a change in the near future. Without a strong independent association and a collective bargaining agent to represent RCMP Members nothing prevents any current or future government from unilaterally making the same changes to our pension plan and taking away your pension security.

In the 1990's the Federal Pension plans had a surplus of nearly 31 Billion dollars as a result of overpayment of pension contributions by federal employees including RCMP Members. At that time the RCMP Pension Fund alone had a several billion-dollar surplus. The Government of the day took that surplus out of our pensions and used it to balance the national budget for political gain. MPPAC fought along side other federal employee groups all the way to the Supreme Court of Canada to protect our pensions and to have the government repay the money that they took from our pension fund.

In December 2012, the SCC ruled that the government was allowed to take the surplus because we have defined benefit pensions so there was no true loss to the employees. Now, only four years later, the government has introduced legislation (Bill C-27) to remove those same defined benefit pensions for some federal employees. It is only a matter of time before the government attempts to do the same to RCMP Members. The same federal pensions that were 31 billion in surplus and were stripped by the federal government less than 20 years ago, are now 4.4 billion in deficit. By eliminating the DB Pensions the government can eliminate that deficit by simply reducing promised pension benefits.

For many years, the federal government has maintained a policy of paying below market wages and has relied on the security of DB Pension plans as a cornerstone of determining the “total compensation” of federal employees. The government and federal employers have used these plans and their relative security to minimize wage increases and maintain lower working wages compared to many other employers with a promise of more secure retirement income in exchange for a lower overall income in our working lifetimes. This in turn has limited the ability of RCMP Members to save independently to supplement their own retirement incomes.

RCMP Members need an independent association and bargaining agent to stand up and fight for our members, to protect our pensions, and to keep Members informed on issues like this. MPPAC has fought for us in the past and will continue to fight for us today and into the future. Every day we wait is another day that the government uses to strip away our benefits and minimize our pay without any level of accountability.

Help MPPAC protect all our collective futures by joining with us and encouraging others to join today.

## **LET US BE YOUR ADVOCATE**

*The Mounted Police Professional Association of Canada (MPPAC) aims to become the independent labour representative for all non-commissioned RCMP members. MPPAC was established in 2010 to fight for the right to engage in collective bargaining through an independent association on behalf of RCMP regular and civilian members across Canada. We strive for excellence in our conduct and obligations. We provide leadership to all of our membership, on justice issues which affect the quality of life of all Canadians. The Association does not seek or support the right to strike. To learn more, visit [www.mppac.ca](http://www.mppac.ca).*

*Become a member today and let's put forward a collective voice on work issues that concern us all. Please forward this message to your RCMP colleagues who are not yet members of MPPAC.*

**MPPAC | Mounted Police Professional Association of Canada**  
**ACPMP | Association Canadienne de la Police Montée Professionnelle**

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