



SUMMER NEWS FLYER

August, 2007

Member of ACER-CART

President's Message:

Greetings to all members on behalf of the Provincial Executive! We hope that you are all enjoying the beautiful summer weather. The purpose of this flyer is to update you on the political actions that have taken place recently. We hope also, prior to the election, to give you some direction to help in our efforts to seek better benefits for retired teachers.

On June the 6th your Executive met with the Minister of Finance at Confederation Building. We had some frank discussions concerning the fact that there have been no pension increases for teachers since 1989 and we offered some worthwhile suggestions that would help put money back into members' pockets. Minister Marshall assured us that our recommendations would be given some consideration in the next budget rounds and that we would be invited to attend discussions during Pre-Budget Consultations in the Fall.

Later that morning we met with the Leader of the Opposition, Gerry Reid and Ms. Lorraine Michael, NDP leader.

The Executive felt it was a good idea to have a meeting with all three leaders to give them background information and an opportunity to discuss some of the serious financial problems we face. The meetings went well and all three leaders seemed very understanding and supportive.

We need your help!! We are asking that before the election, you call, write, or e-mail your candidate to express your concerns.

We must make all those who are seeking to be elected or re-elected on October 9, 2007 understand that we are only requesting a decent standard of living.

*Don
President*

Political Action News

At our political Action Committee meeting in April it was suggested that we try to carry out an e-mail campaign hoping this would put some pressure on the candidates to commit to some form of benefit for retired teachers. We realize that not everyone has access to the Internet to allow the sending of email, so we are recommending that you telephone, write a letter, or just meet the candidate person to person.

Here are samples of e-mails (letters) that you may use. You may change them as necessary or simply create your own. (Check candidates' literature for contact information).

Dear:

Retired teachers in this Province have received no cost-of-living increase to pensions since January, 1989. An immediate increase is essential to offset the cumulative impact of inflation over the past eighteen years!

As one of those retired teachers, I want to know what your Government is prepared to do about the intolerable situation faced by so many of your retired teacher constituents.

I am requesting a reply as soon as possible, certainly before the next election.

The following letter of support from ACER-CART was recently sent to the Government on our behalf:

June 29, 2007

*The Honorable Danny Williams
Premier of Newfoundland and Labrador
The Office of the Premier
Confederation Building, East Block
P.O. Box 8700
St John's, NL
A1B 4J6*

Premier Williams,

Ref: Pension Benefits of Retired Teachers

Once again, I am presenting this letter as Executive Director of the Canadian Association of Retired Teachers (ACER-CART), of which the Retired Teachers' Association of Newfoundland and Labrador (RTANL) is a member. The Directors of ACER-CART have been following the development of the legitimate requests of NL retired teachers regarding their pension benefits and are aware that there is enough room to address this issue without jeopardizing the financial health of the province. This letter represents their views and is an appeal to your goodwill and sense of justice to initiate immediate action to remedy the personal and social problems retired teachers in your province must endure on a daily basis.

Representatives of the RTANL have over the past years presented numerous requests and prepared a very comprehensive brief (Losing the Race (November 2002) pinpointing alarming issues in the area of pension benefits not only for retired teachers but also for most retirees in your province. Your government has been approached by RTANL with numerous propositions to alleviate the financial burden of seniors in your province in order to address the problem of a substantial loss of purchasing power over the years because of a failure to move on the issue of indexing pension benefits.

Teachers, like many other public employees in your province, have played and are still playing a major role in their communities as volunteers in schools, churches,

social clubs, hospitals, long term care facilities, etc. No one can question their commitment to their communities. Your government must acknowledge their contribution to their communities by, at the very least, guaranteeing them a decent standard of living, one reasonably close to that enjoyed at the time of retirement. Retired teachers should not be put in the position of witnessing a constant erosion of their standard of living because of inflation.

The economy of the province of Newfoundland and Labrador is booming and is on a recovery course thanks to new sources of revenues, sound management strategies and long term planning. Social justice dictates that, since retirees were asked to shoulder the economic constraints when the times were bad; it is now time for them to receive some dividends. Failure to do so may mean additional expenses in the long run to put in place special social programs for an increasing number of retirees who can no longer afford the bare necessities of life because of inflation.

The Directors of ACER-CART stand 100% behind the legitimate requests of the RTANL. In your attempts to obtain a better deal for your province, you must understand that retirees within your walls are suffering and also need a better deal. Your government, fully aware of the problems retirees have been forced to accept in the past, must revisit this file and do what is right and just. Pensions of retirees must be indexed and regular increases incorporated in the present formula so that every retiree can maintain a decent standard of living. We are counting on your sense of fair play. Review the present formula of the pension plan and make the necessary adjustments to counterbalance the negative impact of the escalating increases in the cost of living of the past years.

RTANL representatives have met recently with Government officials and will gladly meet again at anytime in the future to discuss issues related to pension benefits; we, at ACER-CART, are confident that this issue can be dealt with in the very near future to the satisfaction of both parties.

*Sincerely,
Pierre Drouin
Executive Director, ACER/CART*

Dear:

How much is your dollar worth? And no, I am not alluding to the Canadian dollar versus the American dollar! I mean, how much is your Canadian dollar worth? You perhaps find this a strange question. However, for me and many other retired teachers this is a very real concern. I retired in 1998 and since retired teachers have not seen an increase in their pensions since 1989, the buying power of my dollar has diminished considerably. As you well know everything around us has increased in price....food, clothing, gasoline, heating and lighting, insurance, services (government and others)...you name anything we must purchase today and the cost of same has continually escalated while my pension has remained constant. I can no longer afford anything but basic necessities ...any form of entertainment, vacation, (the "good life"...so called) is out of my reach. I beg of you to immediately give retired teachers an ad hoc increase in their pensions as was the case prior to 1989 assuming that some form of "indexing" is not to be! If I am fortunate enough to live another ten years, my pension will not allow me to have the basic necessities of life. In Canada, someone who has dedicated 30 plus years to Government service, deserves BETTER and deserves it NOW! HELP! Your answer will determine who gets my vote.

Dear:

As the cost of living, increases, retired teachers are becoming more alarmed over the decreasing value of our pensions. We have had no increase since 1989 and, for teachers who retired at or before that time, our dollar is now worth less than fifty cents. This is unacceptable. Although the unfunded liability has been dealt with, this does not, in any way, increase the dollar value of our present income. If elected (or

re-elected), will you do everything in your power to ensure that retired teachers (whose pensions have been "frozen" since January 1989) receive a long overdue increase to pensions.

Once, again we are asking for your support. Remember that your votes can make a difference in this election, and candidates need to know that their position on teacher pension issues will be important in determining how you will vote.

The Political Action Committee meeting in April suggested that our Association might partner with other organizations that have similar goals for their members. At present the Provincial Executive is pursuing this option and you will be informed as progress is made.

Attention: Questions to Ask Your Candidates:

1. Are you aware that Newfoundland Labrador is the only Province of Canada that does not provide for some form of regular increases in pensions for its retired teachers?

2. Are you aware that many retired teachers in this Province receive a teachers' pension that does not enable them to maintain a decent standard of living?

3. As a candidate, if elected, will you support the reinstatement of cost of living Ad Hoc Increases (or a further decrease in the cost of Government services) for retired teachers and public service retirees

Two senior ladies were meeting for lunch. One asked the other, "Do you ever wake up grumpy?" "No!" she said. "I usually let him sleep in!"

July 24, 2007

Mr. Pierre Drouin
Executive Director
Canadian Association of Retired Teachers
1397 Norview Crescent
Orleans, ON
K1A 1Y4

Dear Mr. Drouin:

This is is response to your letter of June 29, 2007 to Premier Williams concerning indexation of pensions from the Newfoundland and Labrador Teachers' Pension Plan (TPP). As the Minister responsible for pensions, your letter was forwarded to me for reply.

As indicated in the correspondence from my predecessor, government is maintaining a policy that there will be no improvements in benefits under the TPP or any of the government sponsored pension plans unless the cost of those improvements are properly funded by appropriate increases in contributions. Indexing of teachers' pensions was never a promised benefit as the cost was never factored in to the contribution rate of the TPP. Past "ad hoc" increases only served to increase the unfunded liability of the plan. To secure those promised benefits for retirees, Government, in 2006, contributed close to \$2 billion to the plan. Any increases in benefits payable that are not properly financed will only compromise this effort to keep the plan financially sound.

Government is cognizant of the needs of all low income earners, including seniors, and has implemented various measures to address their needs including significant personal income tax reduction for all taxpayers effective July 1, 2007, indexation of certain income tax exemptions, enhancements to the low income seniors'

benefit reduction in certain fees, home heating rebate increases and improvements to the Newfoundland and Labrador Prescription Drug Program.

As demonstrated by the 2007/08 provincial budget, Government is committed to assisting all low-income residents of this Province as fiscal circumstances permit. The Ministerial Committee on Seniors and Aging will meet with retired teachers in the fall and I will again meet with retired teachers as part of the forthcoming pre-budget consultations to discuss measures that will assist seniors in the Province.

Yours truly,

Thomas W. Marshall, Q.C.
Minister of Finance and
President of Treasury Board

cc. Premier Williams
Joan Burke, Minister of Education
Don Case, President, RTANL

Reminders

1. BGM 2008 and our Tenth Reunion Corner Brook, Glynn Mill Inn, October 1-3, 2008.
"Ten is Great – Let's Celebrate"
Registration Form will be in the next Newsletter

2. Retired Teachers' Foundation :

Annual donations to various Children's Charities will be made on November 1, 2007 at 11:00 A.M. at Holiday Inn, St. John's.

3. Western Division

Meet the Candidates Night – Tuesday, September 18, 2007 at 7:30 P.M. at Bennett Hall Corner Brook.