



National Association
of Federal Retirees Association nationale
des retraités fédéraux

FRASER VALLEY WEST

BC 04
Branch Update (#1)
January 2025

HAPPY ★ NEW ★ YEAR

President's report

To start the year with a word of caution.... In the coming weeks or months there will be a federal election and we can expect public policy debate around the value and viability of workplace pensions, defined benefit plans in particular. So, just in time to inform your discussions over the backyard fence or at the kitchen table, you will want to read **The Power of Pensions**, a report commissioned by Federal Retirees with the Canadian Centre for Policy Alternatives (see the Summary on page 2).

Now, looking back on 2024, your Branch had a very good year. The dedication of our volunteers was recognized at the national Annual Meeting in June with the **Branch Excellence Award** (in the 'large branch, no employees category') and I was presented with the **Claude Edwards Leadership Award**, mostly for staying out of their way.

Throughout the year, our volunteers pulled together and gave their energy, time and talents to deliver a number of Branch events to inform or entertain (hopefully both):

- **What's Up with Medoc?** (February),
- the **Branch Annual Meeting** (March) at Hazelmere Golf & Tennis Club,
- **Java with Judy** presentations (Senior Discovery Tours in April, ICBC Road Safety in June),
- the info table at the **'Young at Heart' Seniors Fair** (also June 19th),
- the **Barbecue** at Peace Arch Park (July) and
- the (slightly early) **Election Town Hall** in Surrey-White Rock on September 12th,

In collaboration with our partners in Langley, we pulled together three all candidates' meetings, one for each of the Langley ridings: Willowbrook, Walnut Grove and Langley-Abbotsford. We regretted the decision of the Conservative candidates not to participate, but we celebrate the civic engagement of those (Greens, NDP, Libertarians, Independents) who did. We hope to see representation from all federal parties at events in the upcoming campaign.

Wishing you all the best, *Ian Spence*

Christmas at Morgan Creek

On December 11th, eighty members came together in a beautiful room at the Morgan Creek Golf Course clubhouse on to renew friendships and celebrate the season and the accomplishments of our branch volunteers in 2024.

We welcomed new members Estrella Holgado, Kamlesh Kumar, Russ Lefler, Laura Mojak, Terry Ruyter. And we took a moment to specifically recognize the contribution of Katherine Kettler in her six-plus years as a member of the Board, and husband Charles' role in supporting her and serving as branch photographer on numerous occasions.

Seasonal Music was provided by the Crescendo Trio and we concluded the afternoon with the draw for door prizes, conducted by Ilene and Judy. Thanks again to Ilene, Arlene, Judy, Sharon, Rocky, Rod and Verda for selecting the venue and taking care of all the details.



Huguette and Gaston du Paul and friends.

The Power of Pensions

(summary—read the full report on www.policyalternatives.ca)

Retirement security is the dream of every Canadian, but employers, particularly those in the private sector, are moving away from providing the gold standard of a workplace pension plan. In 2023, 6.9 million working Canadians—34 per cent of all employed people—were covered by a registered pension plan. The retirement income those plans contribute to national and local economies, to government budgets and to equalizing retirement security for equity-seeking groups is underappreciated. This report puts that value in context.



Among the report's findings:

Workplace pension plan payments are major forms of income in Canada: In 2021, workplace pension plans paid out \$84 billion in pension payments, accounting for five per cent of all income received by Canadians in that year. Workplace pension plan income was larger in 2021 than all other private retirement income, from Registered Retirement Income Funds (RRIFs), for example. It was larger than all Canada Pension Plan/Quebec Pension Plan (CPP/QPP) income and Employment Insurance (EI) income.

The private sector is bailing on pension plans: While almost all public sector workers with a workplace pension plan have a Defined Benefit plan (the gold standard because it provides the best security). In the 1970s, 90 per cent of private sector workers with a workplace pension plan in Canada had a Defined Benefit plan, similar to the public sector. Today, only 40 per cent of private sector workers with a workplace pension plan have a Defined Benefit plan.

Governments benefit from retirees' pension income: Across all levels of government, a one-dollar increase in pension income results in governments recouping 41 cents in tax revenue and saved seniors' supports.

Government contributions to their own workers' plans provide major returns: In 2023–24, every dollar that governments contributed to their own workers' pension plans returned \$2.38 in higher tax revenue and saved seniors' supports from retired public sector workers.

Federal coffers benefit from pension income: In total, the federal coffers will be \$24.5 billion better off in 2025 due to workplace pension income supporting seniors across the country. This is due to \$16.9 billion in additional income tax revenue and \$2.3 billion in commodity tax revenue. Pension plan income will also save \$1.2 billion in Old Age Security (OAS) and \$3.2 billion in Guaranteed Income Support (GIS) payments.

Provincial coffers benefit from pension income: In 2025, provincial governments will see budget balances improved by \$16.8 billion due to pension income. The larger provinces of Quebec and Ontario will see \$6 billion apiece in improved balances.

Local communities benefit from pension income: Pension income often substitutes for employment income in communities where work is harder to come by. In the top 10 cities where pension income is the most important, employment income is well below the national average. The impact of pension income on all 85 cities and all postal codes can be examined on our [interactive pension income map](#).

Public pensions are a great equalizer: While 90 per cent of women in the public sector have a workplace retirement plan, almost all of which are pension plans, only 44 per cent do in the private sector. For Indigenous workers, 86 per cent have a retirement plan in the public sector, likely a pension, but only 46 per cent do in the private sector and it's not likely to be a pension. It is a similar story for new Canadians, with 79 per cent having a workplace retirement plan in the public sector but only 45 per cent on the private sector side. There are often right-wing calls to make public sector retirement plans more like those in the private sector. This would be a mistake because it undermines equity goals. Retirement is more secure for women, Indigenous Peoples and new Canadians if they are employed in the public sector.

The goal of government policies should be better retirement security for all. This can certainly be done by encouraging workplace pension plans and by expanding public plans like the Canada Pension Plan (CPP) in the face of employer reticence to provide workplace pensions. Better retirement security through pensions is good for workers, but those workers also play an outsized role in the Canadian economy, in government finances, in ensuring equity for historically disadvantaged groups and in supporting local communities.

Mark your calendars!

Branch Annual Meeting, Thursday, March 13th, 2025

Venue: Still working on that. Stay tuned.

All board positions are up for election.

To nominate someone, or get more information, contact Bernd at bh45jh@shaw.ca