

**Presentation to the Legislative Committee on Bill 45**  
**The Teachers Pension Plan Amendment Act**  
**Mary Chalmers**

Thank you for allowing me to put my views on the record concerning Bill 45. I am sending this presentation in support of Bill 45. First, I would like to thank the government for introducing this Bill. It is the culmination of significant work by the Manitoba Teachers' Society on behalf of members of the teachers' pension plan, both active and retired. The commitment of this government to address this issue is appreciated.

My name is Mary Chalmers and I have been a teacher for 11 years. I am currently teaching at Ross L. Gray School in Sprague, Manitoba for the Border Land School Division. I am also the President of the Border Land Teachers' Association. It is my belief that in supporting teachers, we build a stronger public education system and our students will do better.

I am in support of Bill 45 as it balances the need to provide retired teachers with a cost of living adjustment with the amount of money that active teachers and the government would be required to pay for it. The proposal could double the cost of living adjustment paid to retired teachers this year. Without this increase, the retired teachers can expect a 0.7%. With this plan they can expect a 1.4% increase. These amendments must be implemented as a package. It includes the checks and balances that are necessary to ensure the pension plan does not run into further problems in the future.

I understand that this planned increase will come at no additional cost to active teachers, a concern for many of us. Today there are 1.4 active teachers for every retired teacher; any additional costs would be borne by the active teachers. The Retired Teachers Association of Manitoba has asked for 100% COLA, this is simply not feasible. This would mean a 5% increase to every active teacher in Manitoba which in actual costs would be about \$3000/year more than we are already paying and the government would need to match that amount. This is would be unfair to active teachers and the government.

The simple fact is we need to make sure that the plan is protected and safe for our future. Today the average teacher retires at 57, after working for about 30 years and because teachers are living longer, they are collecting a pension for 30 years. As a result, teachers are paying in for a shorter period and drawing a pension for longer.

Bill 45 provides the necessary checks and balances, which will provide for the feasibility of the COLA in the future. RTAM wants large lump sum payments made to COLA. MTS believes that large lump sum payments and transfers from the basic benefit will put the basic pension at risk for both active and retired teachers.

In addition, there was plebiscite of all active and retired teachers; the vote was 52% in favor of this package. This is a majority of active and retired teachers in favour of the changes.

I ask you to implement Bill 45 as it provides an increase today to the retired teachers, and provides the necessary checks and balances to provide for the future of the plan and the future of active teachers.

Thank you.