

Pam Stinson

Thank you for your time tonight! I am Pam Stinson from Portage la Prairie. I have been an active teacher for 27 years. I have represented our local Portage Teachers' Association for 20 years and presently, I am co-chair of our Collective Bargaining committee. I have represented all the teachers of Manitoba for 5 years on the Provincial Executive of the Manitoba Teachers' Society.

As an executive member of MTS I have been privy to the many discussions we've had concerning our pension plan. I know that in 2003, we were in discussions with the government and the Retired Teachers' Association concerning plans to address the inadequate cost of living adjustment retired teachers were receiving. At that time, RTAM insisted that they were guaranteed a COLA and that government and working teachers should step up and pay for it. The proposal that was discussed in 2003 isn't much different than the Bill we are discussing today. Five years later, retired teachers are still receiving a tiny COLA, and RTAM is still insisting that this proposal isn't good enough.

I was pleased when the government appointed Mr. Sale to bring the parties together to look into the COLA problem. I know that he did an in depth examination of the issues and asked the parties to consider compromises. When it came to the proposal to credit the pension adjustment account, the one that pays the COLA, with the "better of" interest rate, we had a vigorous discussion at provincial executive about whether to accept this proposal. This was a proposal by RTAM and in the end, because we thought it could be a way to satisfy everyone, we agreed.

As an active teacher I support the implementation of Bill 45. I feel that this issue is mathematical and not emotional as RTAM would have you believe. Pension plans are about numbers: money in and money out.

- In the past, on average a teacher could be expected to teach and contribute to the pension plan for 35 years and collect for 20 years
- Today, the average teacher teaches for about 30 years and since teachers are living longer they are collecting a pension for 30 years.
- Shorter contribution time and longer withdrawal time makes for an unbalanced fund.

In the past, the ratio was 7:1 of active teachers paying into the plan to support retired teachers. Today, the ratio has decreased to 1.4:1, thus, active teachers cannot afford to support a 100% funded COLA without enduring a major increase (estimated at \$ 3000) above what they are already contributing! Government would have to match that contribution, bringing the total cost of a 3 % COLA to about \$ 1 billion. A guaranteed 2/3 COLA will cost approximately \$700 million. Mathematically, I know what I can afford.

Let's not repeat history and allow this imbalance to continue. It is time to move forward by implementing a reasonable formula that allows all three parties to protect the basic pension benefit.

MTS agrees with the recommendations contained in Mr. Sale's report and I am in support of the passage of Bill 45. This Bill balances the needs of retired teachers for an improved COLA with the cost to government and to active teachers to pay for it.

I've been teaching for more than a quarter of a century, so I hope to retire some time soon. I don't want to burden those teachers who are coming into the profession now with a huge contribution increase that will not increase the benefits *they* receive. I know that the government cannot be expected to invest the hundreds of millions of dollars it would take to give RTAM what they want.

There has been a lot of talk about decisions made many years ago. There's nothing we can do about them now. I also know that there has been a lot of name calling and misinformation being spread around by RTAM members. MTS has worked hard to get the facts on the record and has lobbied government to improve COLA the best way it can now.

This deal is not perfect. But I believe that it is the best we can do now. Retired teachers will see their COLA double this year. Without Bill 45, RTAM will continue to complain that their COLA is inadequate, and we may take another five years before we are back here again.

52 % of members both active and retired voted in favour of the plan. The amendments proposed in the Teachers' Pensions Act contained in Bill 45 are the fair and balanced approach needed so that the COLA is sustainable in the future.

I believe that teachers are sensible people and the 52 % of plan members who voted in favour of this deal realize that 2/3rds of *something* is better than 100% of nothing.

Thank you for listening to me.