

PRESS RELEASE
For immediate release

**Twelve associations representing more than 115 000 retirees
denounce government offers involving
public sector pension plans**

Québec, February 9, 2015 - Twelve associations representing more than 115 000 retirees from the Public sector, which meet as the Working Group of Associations of Retirees (GTAR), join in the current mobilization efforts by denouncing the Government offers regarding retirement that are proposed by the Couillard Government. GTAR members fear an impoverishment of retirees that would have detrimental consequences for the whole of Quebec society. Therefore, they demand to be heard by the President of the Treasury Board in order to make him aware of this risk.

Recall that in the offer deposited on December 15, 2014, the Government demanded a series of concessions from current and future retirees from the public sector concerning pensions: these include the postponement of the age for pension eligibility, a significant increase in penalties for early retirement, a change in the method of calculating pensions, and a conditional indexation of pensions.

There is no reason to attack the RREGOP!

To justify its proposals, the Government refers to the need "to ensure sustainability of the pension plan for government employees and public institutions (RREGOP) by reducing financial risks. " However, as clearly illustrated by the results of the actuarial evaluation of the RREGOP dated December 31, 2013, this major public sector pension plan is in good financial health. Indeed, the participants' fund is capitalized at 96% in the RREGOP. This rate could reach 100% in the next actuarial update due December 31, 2014.

"The data proves that there is absolutely no reason to attack the RREGOP. The only reason that urges the government to act, is its will to save money on the backs of its employees, the retired, and the future retirees. In so doing, it would further decrease the purchasing power of tens of thousands of seniors. This is unacceptable and we want to loudly express our opposition to the Government. " said GTAR co-spokesperson and President of AREQ, Pierre-Paul Côté.

Impoverishing pensioners, is to impoverish us collectively!

Retirees also wish to warn the Government about the temptation to make shortsighted financial decisions that could have important consequences on the Quebec economy, for by impoverishing pensioners, you impoverish the whole of society. At the present time, recall that the monies deposited in the Caisse de dépôt et placement du Québec (CDPQ) originating from the pensions of the public sector account for over 53% of the portfolio of the main nest egg of Quebecers.

"Defined benefit pension plans are an important economic lever that benefit the entire community. Yet, they are presented wrongfully as an expense when in effect they represent an investment. In addition to contributing to the development of Quebec by way of the Caisse de dépôt et placement, retirees actively contribute to the economy through income tax and other taxes they pay; they are not citizens isolated in their ivory towers! They deserve to be heard, listened to and consulted, like all people who have at heart the protection of their future and that of their children's." adds GTAR co-spokesperson and President of AGRP, Donald Tremblay.

Conditional indexation? No thank you!

Finally, retirees denounce the Government's intention to make indexation conditional for pension plans (RREGOP, TPP, RRF, RRCE), as worded in the offer made on December 15. Indeed, the RREGOP pension plan is already partially deindexed, depending on the years of service contributed.

"Our pensions have been partially indexed ever since the Government decided so, unilaterally in 1982, a situation that existed for nearly 20 years and that has increased the financial vulnerability of retirees! If they were to add insult to injury by making indexation conditional, as is the case in the municipal sector with Bill 3, they would again renege on agreements made in the past! This is completely unacceptable in a free and democratic society." says GTAR co-spokesperson and President of AAR, Mariette Gélinas.

A meeting with the President of the Treasury Board

Member associations of GTAR therefore demand a meeting with the President of the Treasury Board in order to raise awareness about the real

financial consequences of measures that the Government intends to implement as of 2017. There is a fear that similar measures be introduced for other public plans, particularly the pension plan for administrators (RRPE).

Recall that for many years, members of GTAR have demanded the creation of a Standing Committee with the Government to discuss solutions to the loss of purchasing power of some 308 000 retirees from the public and parapublic sectors.

About GTAR

The Working Group of Associations of Retirees (GTAR) is comprised of 12 associations totaling over 115 000 retirees. This includes the Association des retraitées et retraités de l'éducation et des autres services publics du Québec (AREQ), the Association québécoise des retraité(e)s des secteurs public et parapublic (AQRP), the Alliance des associations de retraités (AAR), the Regroupement interprofessionnel des intervenants des services de santé (RIIRS), the Association des professionnelles et professionnels retraités du Québec (APRQ), the Association des directeurs et directrices des établissements d'enseignement retraités (AQDER), the Association des cadres retraités de l'éducation du Québec (ACREQ), the Association des retraités de l'enseignement de la FNEEQ (AREF), the Quebec Association of Retired Teachers (QART), the Association of Catholic Retired Administrators (ACRA), the Quebec Provincial Association of Retired School Educators (QPARSE) and the Association of Administrators of English Schools of Quebec (AAESQ).

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