



## This election, vote for your pension.

The Local Authorities Pension Plan is a defined benefit plan – which means the pension benefit is guaranteed. The monthly benefit can be estimated in advance and will be paid to you for the rest of your life. While not all CUPE members in Alberta are part of LAPP, we believe all workers deserve pensions and that LAPP coverage should be expanded – not stripped away.

LAPP is currently very well-funded and managed. It is regarded across the country as one of the most stable, well managed pension funds. That is thanks in large part to joint governance – where unions and employers both have an equal say in how pensions are managed.

Joint governance is regarded by experts as the best practice for managing pension plans and is relatively new to LAPP. It was introduced by Rachel Notley and the NDP at the urging of unions. Before that LAPP was managed by the provincial government – specifically the Minister of Finance.

The UCP government introduced changes to the management of LAPP that undermine joint governance and allow government interference and risky political investments with our pensions. These changes include:

- Unions lost one seat on the LAPP boards, tipping the balance of power between unions and employers;
- Appointments to the boards now must be approved by the government – meaning unions no longer have the sole authority to appoint our representatives;
- LAPP must be managed through AIMCo and Alberta Pension Services;

- The calculation of commuted value changed so members leaving the plan before retirement lose money.

Unions and LAPP were not consulted on the changes. One of the most significant changes is that LAPP no longer has the ability to decide who pension funds should be managed by. NDP Labour Critic Christina Grey tabled a private member's bill to reverse the changes.

LAPP has shown that it is better equipped than politicians and AIMCo to make investment decisions. When AIMCo had significant losses in early 2020, LAPP investments did not suffer from the same losses because LAPP implemented its own downside-protection strategy – despite still being required to use AIMCo as an investment fund manager. These decisions by LAPP saved the pension fund almost \$1.9 billion dollars.

Pension security depends on the ability of unions, through a joint governance model, to make decisions about how pension funds are managed.

We are deeply concerned that the UCP have made these changes in order to make risky and unnecessary political investments with our pensions at the expense of our pension security.

I urge you to consider the UCP's attack on our pensions when you go to vote on May 29.

-- Rory Gill  
CUPE Alberta President