



***NATIONAL UNION OF PUBLIC  
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# Collective Bargaining Series for Women

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## #6 Pensions/Retirement Benefits

## BARGAINING FOR PENSIONS/RETIREMENT BENEFITS

WE'VE ALL asked the question, "When can I retire?" The obvious answer is that we can retire when we can afford it. Unfortunately, the painful reality for most women is that they can never afford to retire. When the Royal Commission on the Status of Women issued its report, some 30 years ago, it said that about half of all women aged 65 or older who were on their own lived in poverty. Thirty years later, not much has changed. Current statistics suggest that single older women are among the poorest people in Canada.

As a woman, your access to an adequate pension is limited. This is true for several reasons:

- Limited access to workplace pension plans. The types of work women are involved in often don't have pension plans or excludes them from participating, i.e., part-time, contract and contingent work.
- Low wages. Even when a woman does belong to a workplace pension plan, women's lower wages mean lower pension benefits.
- Delayed entry. Most women enter the workforce at a later age, once their children are older. Obviously, with any pension plan, the earlier you start, the more you will have at the end.
- Interrupted work histories. Child bearing, child rearing and other family responsibilities often mean extended absences from the workforce for most women. Most pension plans are designed assuming contributions based on a continuous full-time working life.
- Employers are moving away from providing defined benefit plans which pay out a guaranteed monthly amount based on an adopted formula. Instead, employers are proposing lump sum payments for investment in RRSPs. With their greater incidence of insecure paid employment and their need to combine paid and unpaid work, women are seriously disadvantaged by the lump sum proposal.

- Women live longer. Because of their longer life expectancy, women get smaller pension payments over longer periods. And if your pension plan doesn't include inflation-fighting cost-of-living adjustments, the longer you live, the poorer you get.

### PUT IT ON THE TABLE

Effective contract language makes the difference.

Pensions are deferred pay - pay that a worker gets after he or she retires. So the right to a decent pension is important for women. It's another aspect of equal pay. There are some specific things that unions should keep in mind when bargaining that would allow older women to retire and live with dignity:

- Ensure that employer pension schemes are available to all employees including part-time workers.
- Ensure that women can earn pension credits to allow for the fact that they're likely to have periods outside paid employment.
- Bargain language which mandates the employer to pay both employer and employee pension contributions during interruptions in working life.
- Link pension contributions to maternity leave to ensure continuity of provision (*this is more difficult with longer periods of absence and is therefore not an ideal solution*).
- Allow for voluntary contributions enabling workers to make up any shortfall in their pension (*again this is not an ideal situation as women are forced to pay for any interruptions in their employment histories*).
- Ensure pension benefits are indexed to inflation.
- Allow health benefits for retirees.
- Allow same sex pension benefits.
- Pay close attention to yearly pension plan reports.
- Negotiate shared governance of pension plans.

### THE NATIONAL WAY

Helping you set the table. Helping you get a better deal at work.

- Describing why it's necessary.

Your National Union researches, analyzes and challenges the reasons for bargaining this issue. We look at possible alternative approaches which might be preferable or more beneficial to our members. The National Union and its Working Groups are in touch with our members' needs, explore various options for addressing these needs, and track national and provincial developments in this area.

- Communicating your rights province-by-province.

Connecting with its members about their rights at work is a big part of what your National Union does. Publications. Leaflets. Posters. Buttons. Videos. We produce a stream of these materials. What you need to know about your rights. When you need to know it. We're always ready to help.

- Providing union education and training.

Working with our component education officers, the National Union develops and delivers union education and training courses designed to deepen our members' understanding of issues like this one. These courses provide advice and support to frontline workers who must deal with issues like this on a day-to-day basis in their workplace.

- Campaigning: from silence to voice.

Your National Union is a campaigning union. We coordinate national campaigns on vital workplace issues like this one. We work with other national and provincial organizations active in this field to identify and distribute resource material to workplaces. We work hard to make sure your voice is heard by the larger policy community.

- Negotiating a strong deal.

Everything your National Union does is characterized by its commitment to the development and furthering of our main organizational goal of ensuring that strong collective agreements are negotiated and enforced on your behalf. We help our components develop the best negotiating resource materials, contract language, and strategies to defend our members and the services they provide.

### GET OTHER IMPORTANT INFORMATION

More information is just one click or call away. Check it out.

The **National Union's Advisory Committee on Women's Issues** has produced a ground-breaking booklet called, **Keep Your Crumbs. We Want The Whole Loaf.** It deals with a variety of women's struggles in the labour movement and it speaks of the need to be vigilant and not allow issues such as this one to be pushed to the background. The National Union has also produced educational modules and other publications on pension issues including: **(1) Pensions Manual: A Primer for Activists**, **(2) The Retirement Tsunami**, **(3) It's Our Money! What workers need to know about pension governance and control** and **(4) Perspectives on Workers' Pension Surpluses.**

To obtain copies of this material or if you need further information please contact the National Union at:

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