



A Few Moments Of Your Time

The Civil Service Superannuation Fund

Pensioner Newsletter • Volume 19 - 2012

Greetings

Welcome to our pensioner newsletter, *A Few Moments of Your Time*. In this edition, we bring you up-to-date with news that we feel is important to our pensioners.

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Cost-of-Living Adjustments May Be Reduced In Future If Inflation Rises

A cost-of-living adjustment (COLA) is paid in the thirteenth month following the effective date of a pension (retirement) and each July thereafter. These adjustments are limited to the extent that the COLA Account is, in the opinion of our actuary, able to pay for about half of the increases. The employer pays for the remainder of the increases. The Board is concerned that the COLA Account will not be able to continue to provide increases of 2/3rds of the increase in the Canadian Consumer Price Index (CPI), especially if inflation rates increase from their currently low levels.

Employee contributions to the pension plan are scheduled to increase by over 30% in the next two and a half years. Part of these additional contributions are allocated to the COLA Account, and should improve the ability of that account to pay increases of up to 2/3rds of the CPI. The actuary does not believe that this additional funding is sufficient to reasonably ensure that future COLA increases will be at least 2/3rds of the CPI.

Concerned members should contact the Pension and Insurance Liaison Committee.

Timing of Pension Payments

Starting in January 2013, pension cheques will be put in the mail on the second last banking day of the month. This is the same day that they are deposited to accounts for members who use direct deposit. We believe this treats all pensioners more equitably, contains pension plan costs, and is more compliant with plan provisions.

If you are concerned with the timeliness of receiving your pension payment, you may want to consider direct deposit.

Possible Suspension of Pension Payments

Please ensure that you notify the board of any change in mailing address. If Canada Post returns mail sent to a pensioner as undeliverable, we may suspend his or her pension until we are confident that the member has not passed away and the pension is still payable.

Recent Changes To Pension Law For A Division Of Pension Due To A Relationship Separation

Subject to prescribed time limitations, a common-law partner may apply to the Court for an order requiring a member's pension to be divided if their last common habitual residence was in Manitoba.

A member's pension can now be divided if a division is required by an order of a court in any province or territory of Canada. Parties can now agree to not divide a pension in a separation agreement that meets the prescribed requirements.

A person who is entitled to a portion of the pension of a member who has died may waive the entitlement.

Integration With Old Age Security (OAS) and Proposed OAS Changes

Integration with Old Age Security lets a member get a higher pension from the pension plan until age 65, but less pension from the pension plan after age 65. This adjustment currently coincides with the age that OAS benefits can commence.

The Federal Government has proposed OAS changes to gradually increase the eligibility age from 65 to 67, which would not seem to directly impact anyone born before April 1958. It's therefore unlikely to impact most pensioners who elected OAS integration.

More information on the proposed change is available at: <http://www.servicecanada.gc.ca/eng/isp/oas/changes/index.shtml>

Board Members Appointed

The Civil Service Superannuation Board welcomes its newest government appointed members. Mr. Ed Balcewich, Mr. Wayne McGimpsey, and Ms C. Lynn Romeo were all appointed in 2011 for a three year term.

Questions or Comments?

If you have any question or concerns, please contact

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