



a workplace for all

Bargaining Equality



**Pensions
and Benefits**

After wages, pensions and benefits are the biggest monetary items in a collective agreement. Usually, the specific provisions of a pension or benefits plan are laid out in a plan booklet, not the collective agreement. This is why it is important to include details about pension and benefits rights in your local's agreement.

Too often, when women workers and workers from other equality-seeking groups retire, they face the impact of a lifetime of lower pay. This is often due to interruptions in their career (for example for childrearing), and a relative lack of access to pension plans. A lifetime of unequal wages means retiring in poverty.

Pension and benefit plans need to be designed to make sure they don't discriminate against lower-waged workers and part-time workers. They should also make specific reference to same-sex partners and dependants from same-sex relationships. Recent legal cases have found it discriminatory to exclude same-sex relationships from benefits and pension plans.

HIV/AIDS medications can cost hundreds of dollars each month. That's why it's important to ensure our benefit plans provide coverage for these life-saving medications.

Review all pension and benefit plans to make sure they provide the same level of benefits to all your members, especially disadvantaged groups such as members with disabilities. Avoid two-tier and flexible (cafeteria-style) benefit plans because such plans do not provide members with equal coverage.

A benefit plan should provide:

- employer-funded long-term disability benefits with no pre-existing condition exclusions,
- a broad definition for dependent coverage,
- good extended health care coverage that includes all prescription drugs, medical devices, and para-medical services, and private duty nursing,
- vision care, and
- dental plans at current rates.

Because costs for long-term disability plans are increasing, some employers are looking at cost-cutting measures, such as exclusions for pre-existing conditions. These cause significant hardship for members with disabilities whose conditions existed prior to working with the current employer.

Resources:

Everyone's Spouse/Partner is Entitled to a Pension, CUPE, fact sheet.

Flexible Benefits, CUPE, fact sheet.

Managed Health Care, CUPE, fact sheet.

Pension workshops (3 levels), CUPE.

Pensions – Women's Deferred Wages, Up with Women's Wages kit, CUPE.

Some Pension Facts

- Typically, part-time jobs are only about half as likely to provide benefits as full-time jobs. In 1999, just one in five part-timers (19 per cent) were covered by an employer pension plan compared to 42 per cent of full-timers. Twenty per cent of part-timers (mostly women workers) were covered by a supplementary medical insurance plan compared to 59 per cent of full-timers.
- Racialized workers are less likely to hold jobs providing pension plan coverage. In 1999, 35 per cent of workers of colour were in jobs with pension plans compared to 42 per cent of all workers. For men of colour, the difference was 36 per cent compared to 45 per cent of all male workers; for women of colour, it was 34 per cent compared to 39 per cent of all female workers.
- More precarious jobs mean an interrupted earnings history, a reduced ability to save, and reduced Canada/Québec Pension Plan contributions towards future benefits. In combination with low employer pension plan coverage, this means that many workers of colour are vulnerable to low income in old age.
- Even when they were able to find jobs, women workers with disabilities were paid less per hour than other women, and less than male workers with disabilities. For example, in 1998, women workers with disabilities aged between 35 and 49 earned a median wage of \$12.36 per hour, compared to \$15.05 for women without disabilities in this age group. Male workers with disabilities in the same age group made \$16.07 per hour.

Resource: Andrew Jackson, *Is Work Working for Women?* CLC, 2003.

Pensions in your CUPE local

1. Representation

- Are women's pension issues on my local's agenda?
- Are equality-seeking groups represented on bargaining or advisory committees, as pension trustees or in other activist roles?

2. Coverage

- Do I have a workplace pension plan? If not, can my local bargain the Multi-Sector Pension Plan?
- Is my present workplace pension plan a defined benefit type?
- Can I join my workplace pension plan? How soon?
- Is joining my workplace pension plan mandatory?

3. Are leaves of absence (LOAs) and breaks in service pensionable?

- Can I, and is my employer required to contribute to my workplace pension when I am on an LOA?
- Can I get credit towards my pension plan for some LOAs without making contributions? (An example might be sick leave and long-term disability.)
- Does my pension plan calculate, or take into consideration a reduction in the paid working life of women? (for example, maternity/parental leave)

4. Can I take my pension from place to place?

- Can I take the pension I've earned to my next job?
- Do I have an agreement with other pension plans to fully cover any transfer?
- Am I entitled to a pension regardless of how long I stay in my job?
- Do my termination benefits ensure that my pension builds from workplace to workplace?

CON'T..

Pensions in your CUPE local

5. What about part-time workers?

- Is all of their service credited?
- Is the pension plan mandatory for part-time workers?

6. What about a pension for my spouse?

- Will there be a survivor pension for my spouse without reducing my pension wage?
- Does my plan cover same-sex spousal benefits?

7. Do I have inflation protection?

- Does my workplace plan provide wage increases to cover inflation throughout my lifetime?

8. Does my workplace plan ensure that low-wage workers do not subsidize high-wage workers?

- Are pension deductions proportionate to my wages and the benefits I will collect?
- Does it ensure that low-wage workers do not pay a higher percentage of their wages in pension contributions than those who earn more?

9. Is there accountability?

- Does my pension trustee understand women's pension issues?
- Are equality-seeking groups in my workplace trained to be active on pension issues?

Adapted from: *Pensions – Women's Deferred Wages*, Up with Women's Wages kit, CUPE.

Long-Term Disability (LTD) Plan

Here's what to aim for when negotiating:

- Coverage to start when sick leave is exhausted.
- Provision for pension contributions while on disability insurance.
- An employee, while on LTD, retains status as an employee.
- An employee, while on LTD, is entitled to all benefits under the collective agreement.
- When LTD benefits end, an employee is entitled to return to her/his job or equivalent position.
- LTD coverage continues during layoff, strike or lockout.
- "Own" occupation definition of disability refers to the individual's inability to do her/his own job only (this means the person is not placed in a lower-paid job).
- 100 per cent employer pay-all plan.
- Level of benefits at 75 per cent of salary.
- Cost-of-living protection for benefits.
- Employer agrees to share any experience-rated premium rebates with employees.
- Few exclusions and/or limitations to ensure all employees are entitled to coverage at all times.
- Rehabilitation program for workers.
- Employer is responsible for the provision of the benefit. If the employer establishes the policy, then any denial of benefits should be grievable.

CON'T..

Long-Term Disability (LTD) Plan

- Union consent to alter the plan and/or the carrier.
- Employer must provide a current copy of the plan to members and the master policy to union.
- Full access by union to all LTD information that could be made available to employer.
- Canada Pension Plan offset restricted to disability benefit payment to employee as of the date of the first payment.

Source: *The FACTS*, CUPE.

Group Life Insurance

Use this checklist to negotiate a good life insurance plan that does not discriminate.

- 1. Does coverage start immediately?
- 2. Are all full-time and part-time workers eligible for coverage?
- 3. Is the premium waived while on long-term disability?
- 4. Is there a continuation of coverage during layoffs or industrial disputes?
- 5. Does the employer pay the whole premium?
- 6. Does the level of coverage include an immediate lump sum of, for example, two times the salary? Is there a minimum amount of insurance for all workers?
- 7. Does the beneficiary receive a monthly benefit payment?
- 8. Do male and female workers doing the same kind of job get the same amount of insurance?

Health Care Insurance

Use this checklist to negotiate good health care coverage that does not discriminate.

- 1. Does coverage include all workers (full-time and part-time) and their dependants?
- 2. Does the employer pay the full premium?
- 3. Does coverage continue during layoffs and industrial disputes?
- 4. Does coverage continue for spouse and dependants on the death of the worker?
- 5. Is there a no-deductible feature?
- 6. Is there direct billing for the service to the carrier?
- 7. Do extended health care services include:
 - semi-private?
 - ambulance?
 - vision care?
 - hearing aids?
 - blood?
 - appliances?
 - maternity services?
 - glasses?
 - prescribed drugs?
 - paramedical services?
 - sex-reassignment surgery?
- 8. Do dental care services include:

<u>Basic Plan</u>	<u>Comprehensive Plan</u>
<input type="checkbox"/> diagnostic?	<input type="checkbox"/> orthodontics?
<input type="checkbox"/> surgical?	<input type="checkbox"/> dentures?
<input type="checkbox"/> endodontic?	<input type="checkbox"/> prosthetics?
<input type="checkbox"/> periodontic?	<input type="checkbox"/> crowns and bridges?
<input type="checkbox"/> preventive care?	

LANGUAGE

CUPE Local 23 and the City of Burnaby, BC

10.35 Same-Sex Benefit Coverage

An employee who co-habits with a person of the **same-sex**, and who promotes such person as a "spouse" (partner), and who has done so for a period of not less than twelve (12) months, will be eligible to have the person covered as a spouse for purposes of Medical, Extended Health, and Dental benefits.

Equality review model language

The pension and group insurance plans are incorporated into this agreement, and will thereby be subject to the No Discrimination clause. In the event that a violation of that clause is found, the employer shall modify the offending provision so as to eliminate the discrimination, in consultation with the Union.

The Governing Council of the University of Toronto and CUPE Local 1230 (part-time) Collective Agreement

Article 33 – Benefits – Regular Part-Time Employees

33:01 The Employer agrees to provide for all regular part-time employees who hold appointments of twenty-five (25) percent or more of full-time appointments the following benefit plans:

Pension Plan

33:02 The Employer agrees to provide for all regular part-time employees who hold an appointment of twenty-five (25) percent or more and whose earnings are thirty-five (35) percent or more of the Canadian Pension Plan earnings ceiling, a Pension Plan, the details of which are set out in Schedule II.

Group Life and Survivor Income Plan

33:03 The Employer agrees to provide a Group Life and Survivor Income Plan, the details of which are set out in Schedule III.

Dental Care Plan

33:04 The Employer agrees to provide a Dental Care Plan, the details of which are set out in Schedule IV.

Extended Health Care Plan

33:05 The Employer agrees to provide an Extended Health Care Plan, the details of which are set out in Schedule V.

Semi-Private Hospital Accommodation Plan

33:06 The Employer agrees to provide a Semi-Private Hospital Accommodation Plan, the details of which are set out in Schedule VI.

Long-Term Disability Plan

33:07 The Employer agrees to provide a Long-Term Disability Plan, the details of which are set out in Schedule VII.

Vision Care

33:08 The Employer agrees to provide a Vision Care Plan, the details of which are set out in Schedule VIII.

Coverage up to one hundred and fifty (150) dollars every two (2) years per dependent.

Coverage includes contact lens and prescription sunglasses.

Letter of Intent

Fee Waiver for Dependants – Regular Part-Time Employees

The Employer agrees that dependants of regular part-time employees in the bargaining unit shall be entitled to the benefits of the Fee Waiver for Dependants Policy attached hereto. It is agreed that the Employer may amend the aforesaid Policy from time to time.