



Benefit improvements coming to the CMAW Target Pension Plan

We are pleased to announce that the Trustees have passed a motion to increase your accrued pension, while continuing to ensure the Plan is sustainable over the long-term.

Pension increases:

Retired members effective January 1, 2021

3.4%
increase to pensions accrued before July 1, 2010 for retired members

2%
increase to pensions accrued between July 1, 2010 and June 30, 2020 for retired members

Active and deferred members effective January 1, 2021

2.7%
increase to pensions accrued before July 1, 2010 for active and deferred members

2%
increase to pensions accrued between July 1, 2010 and June 30, 2020 for active and deferred members

*Accrued pension

The amount of pension you have earned based on your reported hours while you were a Plan member, adjusted for historical benefit reductions and improvements, if applicable.

If you are a retired member, you will see the increase reflected in your June 30, 2020 annual member statement and the increase will be added to your pension in pay starting in January 2021. If you are an active member, you will see the increase reflected in your June 30, 2021 annual member statement.

What this change means for you

1 If you're a retired member on January 1, 2021:

3.4% increase to pension accrued before July 1, 2010

2% increase to pension accrued between July 1, 2010 and June 30, 2020

EXAMPLE – Retired member		
Accrued monthly pension	Before improvement	After improvement
For service before July 1, 2010	\$200.00	\$206.80 (increase of \$6.80)
For service between July 1, 2010 and June 30, 2020	\$100.00	\$102.00 (increase of \$2.00)
For service after June 30, 2020	\$10.00	\$10.00 (no change)
Total pension	= \$310.00	= \$318.80 (increase of \$8.80)
Increased pension effective January 1, 2021:		\$318.80

2 If you're an active or deferred member on January 1, 2021:

2.7% increase to pension accrued before July 1, 2010

2% increase to pension accrued between July 1, 2010 and June 30, 2020

EXAMPLE – Active/deferred member		
Accrued monthly pension	Before improvement	After improvement
For service before July 1, 2010	\$100.00	\$102.70 (increase of \$2.70)
For service between July 1, 2010 and June 30, 2020	\$200.00	\$204.00 (increase of \$4.00)
For service after June 30, 2020	\$25.00	\$25.00 (no change)
Total pension	= \$325.00	= \$331.70 (increase of \$6.70)

Are you nearing retirement?

If you are currently an active or deferred member but **apply for retirement and start receiving a pension on or before April 1, 2021**, you will be considered a retired member for the improvement. That means you will receive a 3.4% increase to your accrued pension before July 1, 2010, instead of 2.7%. Please refer to the retired member example above to see those improvement outcomes.

For further information, check the key questions and answers on the next page.

Key questions and answers

Why are benefits improving in this way?

The Trustees wanted to ensure that all members received a portion of the surplus built up by the Plan, with additional consideration towards members who accrued pension before July 1, 2010 and were subject to benefit reductions in previous years.

The Trustees also placed a focus on retired members because many of them did not benefit from the increases in accrual rates to 5 cents per hour on July 1, 2011 and 5.4 cents per hour on July 1, 2017.

If you are an active or deferred member, you will have the opportunity to make retirement decisions prior to April 1, 2021, if you choose to.

What will the benefit improvements mean for me?

If you retired before June 30, 2020, you will see the increase to your monthly pension on your June 30, 2020 annual statement.

If you are an active member or retired after June 30, 2020, you will see the increase to your monthly pension on your June 30, 2021 annual statement.

What does the future look like?

The Trustees are committed to ensuring your pension is secure and stable. They will continue to carefully manage and monitor the Plan's financial health to maintain a high level of benefit security and sustainable benefits over the long-term. The next full valuation is scheduled to be completed as at June 30, 2022.

Is there a risk that the ongoing global pandemic will negatively impact benefits in the future?

The Trustees are carefully monitoring the status of the Plan throughout the pandemic and considered a wide variety of risk scenarios before coming to a decision on these benefit improvements. The Plan is always exposed to some forms of risk, with or without the pandemic. However, the Plan's performance has remained strong throughout the pandemic and has several safeguards in place for future market downturns.

I am not sure whether I am considered an active/deferred or retired member.

If you are in receipt of a monthly pension as of January 1, 2021, you will be granted the benefit increase for retired members (3.4%/2%), regardless of whether or not you are also working at the time. If you commence a monthly pension before April 1, 2021, you will also be granted the benefit increase for retired members.

If you are not in receipt of a pension as of April 1, 2021 but still have an accrued pension under the Plan, you will be granted the benefit increase for active/deferred members (2.7%/2%). If you have transferred or received your main entitlement payment from the Plan before January 1, 2021, you will not receive any increase.

Which increase will I get?

Pension payments do not begin automatically – you must apply for retirement.

You should apply for retirement approximately three months before your intended retirement date. If you miss a deadline for submitting paperwork, you will need to change your retirement date.

When you are ready to apply, contact the administration office at 1-844-366-2629 to get the necessary forms and information on the retirement process. If you wish to commence your pension by April 1, 2021 to qualify for the benefit increase for retired members, please contact the administration office as soon as possible.

I am currently not receiving a pension but I am planning to retire soon – what do I need to do?

Your Trustees

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Please contact the CMAW Target Pension Plan administration office for questions:

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