

For immediate release

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CUPE urges government to move ahead with CPP improvements

WINNIPEG – The provincial government announced on November 4, 2016, that it will hold public consultations on the Canada Pension Plan. The Canadian Union of Public Employees (CUPE) Manitoba encourages its members and Manitobans to voice their support for enhancements planned for the CPP.

CUPE campaigned alongside the Canadian Labour Congress and other unions for many years to achieve enhancements to the Canada Pension Plan (CPP). When federal and provincial finance ministers agreed to enhance the CPP, CUPE hailed it as a victory for workers and all Canadians. There are two main improvements planned: benefits will increase from 25% to 33% of yearly average income; and the plan's income cap will gradually increase from \$54,900 in 2016 to \$82,700 by 2025.

Last month, 9 out of 10 provinces, representing more than two-thirds of Canadians, agreed in principle with the CPP expansion. Quebec is planning to consult its population about similar changes to the Quebec Pension Plan (QPP). The Pallister government initially rejected the federal plan to enhance CPP, but joined the other provinces when it became clear there was widespread support for the changes.

“These improvements to CPP are needed now,” said Kelly Moist, President of CUPE Manitoba. “We urge the provincial and federal governments to implement the enhanced benefit levels and to raise the cap on income, as well as to incorporate Manitoba’s proposals.”

CPP improvements will be paid by an increase of one per cent of both the employers’ and employees’ contributions (from 4.95% to 5.95%), with a 4% increase for both employers and employees on earnings to be covered by the new upper income limit.

CUPE welcomes the agreement on CPP expansion because it will benefit all workers. CUPE will continue to work to strengthen workplace pensions and provide support and guidance to help our members fully benefit from the CPP changes.

“Canadians rely on the CPP to retire with dignity. We are counting on our provincial and federal governments to do the right thing.” concluded Moist.

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