



LCEB BULLETIN

Waterfront Industry Pension Plan

Pension Qualification Update

Thursday, December 10, 2015

Your Pension Trustees want to advise you of some very significant changes to our Pension Plan for the coming year.

The final pension changes voted on by the membership are about to come into effect on January 1, 2016. This is when we will change from 800 hours to an earnings limit for calculating pension credits. This bulletin is not about to repeat all the income tax issues as to why these changes are coming about. The purpose of this bulletin is to remind you of the changes and to tell you what the required earnings are for 2016. This will change every year as the pension benefit rate changes and the Trustees will advise you annually. Look for this bulletin every December or January in coming years.

The pension rate for Actives will increase on January 1st by the same amount as the wage increase that was negotiated in the last contract, and the amount for 2016 is 2.88%. This will increase the current \$110 per month per year of service amount to \$113.17, bringing the maximum 35-year pension with a ten-year guarantee to \$3,960.95 per month. With this increase the earnings requirement for 2016 will be \$67,902. This is the amount you need to earn to get credit for a full pension year. Partial Pensionable years will be credited based on a portion of the \$67,902.00. Granted time for illness or injury will continue as it has in the past. It is important to keep in mind that this is the total gross earnings and includes all pay, including Annual Vacation Pay.

This bulletin is also to remind you that the 3% Member Contributions will also begin again in January, and the amount to be deducted for 2016 is \$2,037.06.

The Pension Adjustment created for an increase this size for 2016 will be \$11,622.36, which will affect your RRSP contribution room for 2016.

In addition to the increase for Actives there is also an increase, January 1st for Pensioners. This increase is equal to the Vancouver Consumer Price Index increase from September 2014 to September 2015, and the amount of the increase is 1.2%. The promise was to protect Pensions for Pensioners and this increase is fully indexed to 100% of inflation.

This information and much more will be posted on our website at 'www.longshoreplans.ca'

Waterfront Industry Pension Plan Trustees

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