

EXCERPTS FROM THE

Spring 2015

Le magazine de l'AREQ  CSQ

Quoi de neuf

Printemps 2015

DOSSIER

**LA
SURFACTURATION
MÉDICALE**

**QUAND LE MÉDECIN
VEUT NOUS FAIRE PAYER
DES SOINS COUVERTS**

services

\$ \$ \$

surfacturation

RETRAITE
Négociation des secteurs
public et parapublic

FINANCES
Crédits d'impôt au provincial

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SUMMARY

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A WORD FROM THE PRESIDENT

Pierre-Paul Côté

President of AREQ

Let's go!

The gloom brought about by numerous announcements throughout the fall has not subsided since the arrival of 2015. Moreover, those who are concerned about what is happening in the world were troubled by the recent events in France and by the acts of violence perpetrated in various countries. These situations speak to us as human beings who worry about peace and brotherhood among peoples.

Closer to home, we seem to be more concerned with balancing the numbers column than with reassuring the poor, by ignoring the collateral damage suffered by the more vulnerable members of society. The good people must pay the bill, suffer the various fee hikes and, despite the significant fall in the price of oil, absorb the increasing cost of groceries.

All the while, the banks, who were asked to contribute a bit more to government revenues, hire lobbyists to try and reverse the tax increases on their wage bill. However, nothing is asked of them regarding their investments in tax havens. Between friends, you scratch my back...!

We seniors are not unaffected by this ballet of bad surprises. Indeed, while we have to endure fee increases, higher rents and the upward movement of food prices, our pensions cannot maintain our purchasing power.

In the wake of the *Commission sur la fiscalité* (commission on taxation), a business association, the AQESSS¹, even suggested to the Government to increase the rents in CHSLD and have seniors over 65 pay a higher fee for their prescription drug insurance plan coverage. Other suggestions were submitted regarding ambulance transportation that would no longer be free for seniors. Add to that an increase in the basic rate as well as a higher price per kilometre. When we say that seniors are a wealth for society, it most certainly is not in this sense that it was intended. Ah mercantilism! When you grab hold of us...!

As if that wasn't enough, the Government wants to discuss the conditionality of pension indexation in 2017 for both retirees and salaried workers. We will have to demonstrate that, contrary to other pension plans, the RREGOP is in good financial shape and that the 50/50 sharing of the costs has long been in effect. As for the other plans (TPP, CSSP, PPCT), let's remember that prior governments did not want to create a pension fund, and our contributions were paid into the consolidated funds of the Province. Our money was used to fund a variety of projects and now, we stand accused of having created a debt.

If the past is any indication of things to come, and as many of us have campaigned for better conditions in the practice of our professions while contributing to the creation of a social safety net in Québec, we will be present again to defend our hard-earned rights.

"Twenty times revisit your work," Boileau said. Therefore, let us find the energy and the courage to support the younger generations in the defence of our collective rights and ensure a better quality of life for one and all. We worked to leave our children and grandchildren a more just and equitable society. Let's go!

1. *Association québécoise d'établissements de santé et de services Sociaux* (abolished as a result of Bill 10).

IN THE PUBLIC EYE

Dominic Provost

Communications Advisor

Your association takes action, speaks its mind and makes demands. Here is a summary of AREQ's main public initiatives since the last issue of *Quoi de neuf*.

October 29, 2014

AREQ gives its opinion on taxation

In an opinion paper tabled with the *Commission d'examen sur la fiscalité québécoise* (review commission on Quebec taxation), AREQ pointed out the risks of impoverishing retirees and the reduction of services available to the general population linked to that exercise. "Many retirees believe that the work done by the Commission on taxation will serve as an excuse for the Liberal government to cut expenses and, once again, reduce the services to the general population. To us, this would be unacceptable", AREQ president, Pierre-Paul Côté pointed out. (Please note that a more exhaustive article on the subject appeared in the winter issue of the magazine.)

November 16, 2014

AREQ against medical extra billing

AREQ and four other associations for the defence of rights and social justice have joined voices to denounce the illegal billing practices of certain medical clinics. These associations, which bring together medical doctors and thousands of health network users, have backed a class action suit against the Ministry of Health and Social Services, the RAMQ, and various medical clinics.

Thus, the AREQ president decried the fact that seniors are held hostage by certain doctors. "It is sometimes difficult to distinguish the legal or legitimate costs from those that are not. When in doubt, too many seniors keep quiet and simply pay the bill. Also, in a context where access to a doctor is increasingly difficult and waiting periods to see a specialist grow forever longer, they do not dare withhold payment for the consultation, especially if these are presented as inevitable", said Pierre-Paul Côté. So AREQ has invited its members to sign on to the class action suit in great numbers. (For more information, you can read the article on the subject in the present issue.)

November 18, 2014

AREQ celebrates International Men's Day

In honour of International Men's Day (IMD), celebrated on November 19, AREQ wanted to pay tribute to those men who have been, and remain so to this day, "models who inspire us." "This year, we want to showcase men who stand out by their positive actions in society, as much with their loved ones as with their community. It is a good way to pay tribute to those who, their whole life long, have inspired us," stated Mr. Michel A. Gagnon, 1st Vice-President and Chair of the AREQ Committee on the Status of Men.

December 19, 2014

AREQ reacts to the Government's offer on retirement

It is with astonishment and apprehension that AREQ greeted the Government's proposals on retirement tabled December 15, 2014, in view of the negotiations for the renewal of the collective agreements with State employees. Invoking the need to take measures to ensure the sustainability of the RREGOP, the Government proposes major clawbacks for current and future retirees, mostly women. The proposals consist most notably in pushing back the admissibility to retirement to 62 years of age from the present 60, increasing from 4% to 7.2% the penalties for early retirement, and modifying the method of calculating the pension (using the eight best years rather than five).

AREQ notes that these proposals are not supported by any serious arguments, analyses or figures. They seem equally unjustified as the RREGOP is presently in good financial health. "If the Government wants to ensure the sustainability of our pension plans, an objective we wholeheartedly share, it should follow the example set by its employees and put aside the monies it will need to pay its share. For years, the Government has played the cicada with contributions while we played the ant. Today, rather than honour its commitments, it wants to shrink the plan and contribute less to it", AREQ President, Pierre-Paul Côté declared.

(To know more on the subject, go to the article on pages 10-11 of the current issue.)

January 14, 2015

AREQ reacts to the creation of CDPQ Infra

The announcement of a partnership between the Government and the *Caisse de dépôt et placement du Québec (CDPQ)* to realise infrastructure projects was greeted with a great deal of concern by some retirees. AREQ urged the *CDPQ* to be prudent and avoid past errors. AREQ applauds the *CDPQ*'s willingness to contribute to the economic development of Quebec. Prudent performance objectives are not incompatible with the willingness of the *CDPQ* to invest in businesses and projects here, much as it does elsewhere in the world. AREQ nonetheless fears that the *CDPQ* could be tempted to drag its savers into ill-advised or risky investments. In this regard, let us remember that it took the *Caisse* five years to recoup the \$40 billion losses incurred in 2008. RREGOP funds, which are the most important asset under *CDPQ* management, were hit very hard at the time, with major consequences for then and future government retirees. Also, seeing as *CDPQ* managers are nominated by the Government, there is a very real risk of political pressure being exercised, directly or indirectly, to support infrastructure projects that would otherwise be rejected. For AREQ, the reassuring words of the CEO and of the Premier are insufficient. They must be accompanied by the measures that will ensure the independence of *CDPQ*.

"We say yes to economic development; but we forcefully say no to gambling with our savings. We exhort the *CDPQ* to the greatest caution to avoid putting our savings at risk, like it did in the recent past. Also, we ask that the Government reinforce the *CDPQ*'s autonomy to shelter it from any political influence," admonished Pierre-Paul Côté.

Therefore, AREQ will keep a close eye on the execution of this agreement between the *CDPQ* and the Government. Also, it will ask to be heard so as to express the point of view of retirees when the time comes to study the bill that will allow for the creation of *CDPQ* Infra subsidiary.

February 6, 2015 Medically-assisted dying: AREQ reaction

In a unanimous judgment made public on February 6, 2015, the Supreme Court invalidated sections of the Criminal Code that forbade medically helping people to die. Moving to action in the wake of this decision, AREQ representatives expressed the desire to see the Quebec Government move forward, without hesitation, and vote into law Bill 52 on end of life care.

“We ask that the federal government respect the Court’s decision and not hinder the provinces that, like Quebec, adopted legislation on medically-assisted dying. Bill 52, adopted by the National Assembly last June, constitutes the logical culmination of a well-thought out approach by both civil society and Parliamentarians of all parties. The Quebec consensus must be respected,” declared AREQ president, Pierre-Paul Côté.

Remember that since 2008, AREQ members have long reflected on, discussed in its various bodies, and took position in the social debate surrounding end of life care, palliative care, and medically-assisted dying.



AREQ President, Pierre-Paul Côté, spoke out with other members of *the Groupe de travail des associations de retraités (GTA R)*, on February 9, 2015, to react on government offers regarding retirement. Worrying about impoverishment of retirees, which would have negative side effects on society as a whole, *GTA R* members demanded to be heard by the President of the Treasury Board. A meeting with him was held on February 23.

RETIREMENT

Johanne Freire
Social Security Advisor

Negotiations in the public and parapublic sectors

It is with apprehension that AREQ received the Government's proposals submitted on December 15, 2014, within the framework of the negotiations for the renewal of collective agreements for employees of the public and parapublic sectors. The agreement struck in 2010 between the Quebec Government and the *Secrétariat intersyndical des services publics (SISP)*, the *Confédération des syndicats nationaux (CSN)* and the *Fédération des travailleurs et travailleuses du Québec (FTQ)* expires on March 31, 2015.

The collective agreements of the health and social services sector, school boards, colleges, and the civil service are up for renewal.

The Government's proposals cover various points, such as salaries, parental rights, pension funds, etc. In regard to the present article, we will look specifically at the retirement aspect (RREGOP).

Government's proposals for the RREGOP

The Government invokes the "the need to ensure the sustainability of the *régime de retraite des employés du gouvernement et des organismes publics (RREGOP)* (government employees' pension fund)" to propose measures for retirement. According to the Government, these measures would, "reduce the plan's financial risks," but especially reduce the Government's own contribution by \$200 million a year...

Here are the principal measures proposed, and their impact:

1. Increasing the retirement age without actuarial penalty from 60 to 62; (however, no change in the 35 years of service criterion);
2. Increasing the actuarial penalty applicable to early retirement, therefore, before 62 or before 35 years of service from 4% to 7.2%;
3. Calculating the average admissible salary for the pension based on the eight (8) rather than the five (5) best years;
4. Implementing a system that automatically adjusts the admissible retirement age without actuarial penalty as a function of evolving life expectancy;
5. Exchanges and discussions set to be held in 2017 (at the latest 30 days after the tabling of the next RREGOP actuarial evaluation) on the possibility of introducing pension indexation conditional on the financial health of the plan.

It must be said that the first three (3) proposed measures would apply to retirement as of January 1, 2017.

Examples:

Retirement with a pension calculated on \$30,000 per year

Age at retirement	Pension under the current conditions	Pension under the proposed measures
58 30 years of service	2 years early 4% x 2 years = 8% 8% of \$30,000 = \$2,400 \$30,000 - \$2,400 = \$27,600	4 years early 7.2% x 4 years = 28.8% 28.8% of \$30,000 = \$8,640 \$30,000 - \$8,640 = \$21,360
60 32 years of service	No early retirement \$30,000	2 years early 7.2% x 2 years = 14.4% 14.4% of \$30,000 = \$4,320 \$30,000 - \$4,320 = \$25,680
60 35 years of service	No early retirement \$30,000	No early retirement \$30,000

* The criterion for the admissibility to a pension after 35 years is not affected by the proposed modifications.

**Conditional indexation?
We don't agree!**

In a communiqué issued shortly after the Government tabled its proposals, AREQ strongly denounced the unwarranted attacks on pension plans and the disastrous consequences conditional indexation would have on the financial health of current and future retirees and on their purchasing power already much diminished by the partial indexation decreed in 1982.

The RREGOP is healthy

The measures the Government wants to impose on pension plans of the public and parapublic sectors astonish. Indeed, the last updated actuarial evaluation (December 31, 2013) shows the RREGOP is doing well, as shown in the following chart:

RREGOP	
Shared costs (employer/employee)	50/50
Participants (salaried and retired)	538,000 salaried 221,000 retired
Deficit at December 31, 2011	\$2.6 G
Deficit at December 31, 2013	\$2 G
Capitalization rate (2013)	96% for the participants' funds

At the time of writing this article, discussions about these proposed measures had not yet begun. The negotiation process had only just begun.

NEGO 2015

To follow the evolution of the negotiations, as well as to review the Government's proposals, go to the Front Commun website at www.frontcommun.org. You can also register for the CSQ's Bulletin sur la négociation 2015 (negotiations bulletin 2015) by signing up at www.nego2015.org.

Regional General Assemblies

Message to our members

Pursuant to section 14.04 of the Rules and Regulation, the president of your region summons you to the regional general assembly to be held at the noted times and places.

<p>Bas-Saint-Laurent–Gaspésie– Les-Îles–Côte-Nord Region 01 Date: May 14, 2015 Time: 9:00 a.m. Location: Hostellerie Baie Bleue 482, boulevard Perron Carleton (Quebec) G0C 1J0 Tel.: 418 364-3355</p>	<p>Île-de-Montréal Region 06 Date: May 21, 2015 Time: 9:15 a.m. Location: Centre d'événements Le Carlton 8860, boulevard Langelier Montréal (Quebec) H1P 3C8 Tel.: 514 323-5445</p>
<p>Saguenay–Lac-Saint-Jean Region 02 Date: May 20, 2015 Time : 10:00 a.m. Location: Au Vieux Théâtre 300, boulevard de la Grande-Baie Nord La Baie (Quebec) G7B 3K3 Tel.: 418 544-3166</p>	<p>Outaouais Region 07 Date: May 12, 2015 Time: 10:00 a.m. Location: Complexe communautaire et culturel 181, rue Joseph Gatineau (Quebec) J8L 1G6 (secteur Buckingham) Tel.: 819 986-4240</p>
<p>Québec–Chaudières-Appalaches Region 03 Date: June 3, 2015 Time: 9:30 a.m. Location: Hôtel Québec 3115, avenue des Hôtels Québec (Quebec) G1W 3Z6 Tel.: 418 658-5120</p>	<p>Abitibi-Témiscamingue Region 08 Date: May 14, 2015 Time: 10:00 a.m. Location: Hôtel Forestel 1001, 3e Avenue Est Val-d'Or (Quebec) J9P 4P8 Tel.: 819 825-5660 / 1 800 567-6599</p>
<p>Coeur et Centre-du-Québec Region 04 Date: June 4, 2015 Time: 9:15 a.m. Location: Ferme Nouvelle-France 2581, rang Augusta Sainte-Angèle-de-Prémont (Québec) J0K 1R0 Tel.: 819 268-4159</p>	<p>Montérégie Region 09 Date: May 19, 2015 Time: 9:30 a.m. Location: Centre communautaire Paul-Émile-Lépine 150, boul. Perrot L'Île-Perrot (Quebec) J7V 3G1 Tel.: 514 453-1751</p>
<p>Estrie Region 05 Date: May 21, 2015 Time: 9:00 a.m. Location: Fabrique Notre-Dame-de- Protection (local 114) 2050, rue Galt Est Sherbrooke (Quebec) J1G 3G1 Tel.: 819 562-5402</p>	<p>Laval–Laurentides–Lanaudière Region 10 Date: May 21, 2015 Time: 9:00 a.m. Location: Hôtel Le Mirage 1136, boul. Labelle Blainville (Quebec) J7C 3J4 Tel.: 450 430-8950</p>

Si non réclamé, retourner à :



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