



**HOW THE UCP
GOVERNMENT STOLE
BILLIONS FROM ALBERTA
PUBLIC SERVANT
PENSION HOLDERS AS OF
APRIL 1, 2020**

JASON HANSON

Bill 22 . . .

- For more than 30 years, I worked for the Government of Alberta – I experienced highs and lows and really pretty much did my job, enjoyed my job, and didn't get too wrapped up in the politics of it all.
- I think most public servants are like that, happy to be working even if we might get a wage rollback, or have negotiated benefits cut . . . we're still working, getting paid and supporting our families.
- Unfortunately sometimes politicians do something that can't be ignored, can't be tolerated . . . their actions are such that they "shock the community!", we've seen a number of such examples from the UCP over the past three years.
- This presentation focuses on just one "shocking" example of where after only a few hours of debate in the Alberta legislature a bill was passed that would allow for the lawful theft of 100's of millions (likely billions) of dollars from public servant pensions.

What is (was) Bill 22?

- The Alberta United Conservative Party introduced Bill 21 and Bill 22 around the same time back in November 2019 – both Bills were large, complicated Omnibus (multi-faceted / diverse / unrelated) Bills meant to amend many pieces of legislation at one time with as little debate or opposition as possible.
- Voting on Omnibus Bills are “all-inclusive” meaning, if you like some (even most) of the bill, voting in favour of it passes all amendments into law – the next slide lists 35 different pieces of legislation that were amended by Bill 22!
- Both of these Bills effectively waged war on Alberta Public Servants on many fronts – regarding Bill 22, there was a total debate time of about 10 hours from introduction, 1st reading, 2nd reading, 3rd reading - to passed . . . ignoring all concerns brought forward by the opposition.

[Bill 22 passes 3rd reading at Alberta legislature; ethics commissioner cannot 'delay proceedings' | Globalnews.ca](#)

What is (was) Bill 22?

- Bill 22 gave the UCP the authority to fire the Elections Commissioner – which was one of the more blatant abuses of power Albertans have ever seen and actually got the most media coverage . . . but here is the list of all the Acts that were amended by the passing of Bill 22 after only about 10 hours of debate . . .
 - Alberta Capital Finance Authority Act / Alberta Competitiveness Act / Alberta Investment Management Corporation Act (FYI AIMCO is the group that manages most pension funds) / Alberta Sport Connection Act / ATB Financial Act / Auditor General Act / Conflicts of Interest Act / Election Act / Election Finances and Contributions Disclosure Act / Electronic Transactions Act / Employment Pension Plans Act (of immense impact to public servant pension holders) / Financial Administration Act (impacting pensions) / Freedom of Information and Protection of Privacy Act / Health Professions Act / Historical Resources Act / Joint Governance of Public Sector Pension Plans Act / Local Authorities Capital Financing Act / Local Authorities Election Act / Mental Health Act / Northern Alberta Development Council Act / Personal Information Protection Act / Pharmacy and Drug Act / Post-secondary Learning Act / Protection for Persons in Care Act / Public Inquiries Act / Public Interest Disclosure (Whistleblower Protection) Act / Public Sector Compensation Transparency Act / Public Service Act / Public Service Employee Relations Act / Reform of Agencies, Boards and Commissions Compensation Act / Security Services and Investigators Act / Social Care Facilities Review Committee Act / Teachers' Pension Plans Act / Travel Alberta Act / and finally the Workers' Compensation Act

BILL 22 . . .

- Although there are likely many (many) areas where this bill should be challenged because there is no way amending 35 pieces of legislation during a total of 10 hours of debate time can in any way shape or form be in the best interest of Albertans.
- My focus is on bringing your attention to the significance of the amendments that has led to the UCP (not to mince words) stealing our pension funds from us!
- Bill 22 is truly nothing short of an extreme abuse of power and privilege – Notely accurately referred to Kenney as being “The most corrupt and anti-democratic Premier in the history of the Country by virtue of having introduced it.”

[Notley, NDP seek ruling to ban UCP from voting on Bill 22 | Globalnews.ca](#)

BILL 22 . . .

CTV News – November 20, 2019

- "The UCP's Bill 22 in effect removes joint trusteeship and puts our pension plans under the control of the minister of finance," United Nurses of Alberta President Heather Smith said at the rally.
- A day after she was removed from the Legislative House for saying the house leader was being misleading over Bill 22 and refusing to apologize, Opposition Leader Rachel Notley continued to criticize the UCP.
 - "If this premier wants to run around and run over our democracy, if he wants to shut down investigations into his party's corruption, all while cutting our healthcare, cutting your hours, cutting your wages and stealing your pensions, we will all call him out for being the corrupt premier that he is," Notley said.
[Public sector workers protest funding cuts, Bill 22 | CTV News](#)

Views from the Beltline – Bill Longstaff

March 4, 2020 – Is Kenney Coming After Our Pensions?

“And that's not all that has caught his eye. He is also gathering up civil servants' pensions under the umbrella of the government-owned Alberta Investment Management Company (AIMCo). The government has announced that the Alberta Teachers' Retirement Fund as well as funds managed by Alberta Health Services and the Workers' Compensation Board are to be turned over to AIMCo for investment management.”

“Three other plans have also attracted government attention. The Local Authorities Pension Plan (LAPP), the Public Service Pension Plan (PSPP) and the Special Forces Pension Plan (SFPP) had recently become independent of government, to be equally managed by employers and union reps. This change, long sought by public workers, was introduced in legislation by the former NDP government. The change gave over 351,000 public sector employees, including government and municipal employees, health-care workers, firefighters and police officers, joint control of their pension funds.”

“The new government has now restored government control. It has mandated AIMCo as permanent investment manager with no discretion for the plans to make changes. Boards of directors, currently appointed by the sponsor groups, will henceforth be appointed by government.”

“If the premier's plan is to open up a pipeline with our security blanket, we pensioners (I am a member and beneficiary of the LAPP) have great cause for worry. AIMCo is committed to its fiduciary duty to act solely in the best interests of the members, but the AIMCo Act explicitly states that it must follow directives issued by the Treasury Board.”

- [Views from the Beltline: Is Kenney Coming After Our Pensions? \(beltlineviews.blogspot.com\)](https://beltlineviews.blogspot.com)

Pension stealing Bill 22 – Premonition

April 12, 2019, Article written by David Climenhaga – following are excerpts from and link to the article

NOTICE TO PUBLIC EMPLOYEES: JASON KENNEY AND THE UCP ARE EYEING YOUR PENSIONS AGAIN

“If you’re a public employee in Alberta and you’ve been deferring your salary for years to build a secure retirement through your modest pension, Jason Kenney would like to take it away.”

“Mr. Kenney’s answer continued: “Reforming public sector pensions for future beneficiaries will also be required to manage huge unfunded liabilities.” (Emphasis added.)”

“This statement also deserves further analysis: First, it is clear from this Mr. Kenney would like to implement a two-tier pension plan, which would be a tragedy for new workers entering jobs such as nursing. In addition, it would hurt the security of the public employees who are already retired by undercutting the new generation that is the foundation of pensions like the 160,000-member Local Authorities Pension Plan, the province’s largest public-sector plan. The LAPP currently provides financial security for about 66,000 retired Albertans.”

“Second, there are no significant unfunded liabilities. The LAPP, for example, is now in surplus – funded 104 per cent thanks to additional contributions made by members and the prudent management by the plan’s board. The best we can say about a statement like Mr. Kenney’s is that it’s out of date.”

““If MLAs have no pension,” Mr. Kenney summed up – taking responsibility for the decision of Ralph Klein’s government to eliminate MLA pensions, a claim that must make Mr. Klein spin in his grave – “it is not unreasonable to suggest that future public sector pension plans should avoid unfunded taxpayer liabilities.””

“Well, that’s also been taken care of, thanks to Alberta’s NDP government – which did it the right way, by passing legislation that made the LAPP and other public sector pension plans independent jointly sponsored plans under the Pension Plans Act of Alberta.”

UNTIL BILL 22 CAME ALONG 6 MONTHS AFTER BEING ELECTED PREMIER AND RUSHED INTO LAW!!

- [Notice to public employees: Jason Kenney and the UCP are eyeing your pensions again - Alberta Politics](#)

ALBERTA PENSIONS SERVICES CORPORATION (APSC) MISINFORMATION - EVEN BEFORE KENNEY

What do Annual Pension Statements, provided to the employee, mean?

Virtually NOTHING!

Sure, they provide you with a date when you can retire and they provide you with an estimated “Lifetime Monthly / Annual Pension” but they also provide you with a “dollar amount” identifying your contributions and interest . . . this dollar amount is deceiving and means virtually NOTHING! It makes you feel like there is very little money in your pension, when in fact, if you were to receive an estimate for the commuted value (payout) of your pension, the value is likely to be many times higher than the value provided to you in your Annual Statement.

APSC MISINFORMATION – cont'd

- Why is this deception and “misinformation” tolerated?
 - The misinformation is essential. If public servants were given proper and accurate information surrounding what the true figure is, what the true (commuted) value of their pension is . . . many would opt to withdraw the value of their pension and manage that money apart from the GoA.
 - Over the years, I could never understand when someone told me they were going to take out and manage their own pension – I remember looking at my statement thinking “How is a person able to manage financially based on the dollar figure noted in the statement?” Again, that number means NOTHING!
 - If you are a GoA employee, in your 50’s (<55) with 25-35 years of employment with the GoA, with a monthly pension estimate over \$3,300 - the commuted value of your pension (pre-Bill 22) was very likely MORE than 1,000,000!

THE VALUE OF YOUR PENSION ...

MORE THAN \$1,000,000?

- The short version facts are, as there is no true way to determine exactly what the commuted value of a public servants' pension is (contributed into a pot for years, matched by the employer, fluctuating interest rates etc.) in order to determine what the value of YOUR pension is, a formula is used.
- You can receive an accurate estimate by spending hundreds of dollars hiring an Actuary (note: this is something that APSC used to provide upon request for free – but after Bill 22 came into law April 1, 2020 they no longer will – more on that later).
- But you can make your own simple calculations and learn roughly, specific to you, what *approximately* the commuted value of your pension was worth (pre-Bill 22) and is worth today.

THE VALUE OF YOUR PENSION ...

Determining a “rough ballpark estimate” of the actual value of your pension

PRE-BILL 22

- Step #1 – determine what your total estimated lifetime annual pension is (LAPP/ PSPP / SFPP / MEPP / Combined?)
- Step #2 – take that value and times it by 25

THE VALUE OF YOUR PENSION . . .

- If you are between 45 and 55 (still under the age of 55) with about 25 years of service working for the GoA you may well have a lifetime annual pension over \$40,000 per year . . .
- $\$40,000 \times 25 = \$1,000,000$
- Do your own math specific to your personal situation, and see what the commuted value of your pension was worth prior to the 10 hours of debate before passing the large, complex, Omnibus, Bill 22, and prior to April 1, 2020, when the amendments to all those 35 pieces of legislation became law.
- Note: the change did not just effect your service “after” April 1, 2020 - the change is applied retroactively to **ALL OF YOUR YEARS OF SERVICE**

THE VALUE OF YOUR PENSION . . .

How did the amendments to finance and pension legislation within Bill 22 impact your pension specifically?

- Among all the other detrimental things, Bill 22 arbitrarily and unilaterally CHANGED the formula for calculating the commuted value of pensions for public servants. In very lay terms, and using rough calculations, the factor of 25 was reduced to approximately 17.5 . . . (i.e. \$40,000 X 17.5)
- So, that same pensioner making an estimated \$40,000 annual pension – who decided to take out and manage that money on their own . . . before April 1, 2020, would have had \$1,000,000 to work with, now has roughly \$700,000!
- The UCP Government stole \$300,000 from this example pensioner – on March 31, 2020, there was \$1,000,000 in his/her pension, and over night it was reduced to \$700,000, there's a good chance that you had NO IDEA!

APSC AND PENSION PLANS OBSTRUCTION

- How can you find out the “actual” figures and know exactly how much the UCP Government ‘legally’ STOLE from your pension? Well, your pension plan holder (PSPP, MEPP, LAPP) as recommended by Alberta Pensions Services Corporation (APSC) is not going to tell you – here is their response to me when I asked for an updated “Termination Statement Estimate” in April 2020 . . .
 - “The Management Employees Pension Plan (MEPP) at the recommendation of Alberta Pensions Services (APS) has discontinued the practice of providing Commuted Value estimate calculations as of May 11, 2020”
- And later, when I questioned the “discontinuance” of this practice, I was advised . . .
 - “If you require information regarding your Commuted Value (CV) prior to leaving your employer, you can hire an external actuary to calculate your CV”

APSC AND PENSION PLANS OBSTRUCTION

- Although the previous response from APSC related to MEPP – the same response has been provided in relation to the Public Service Pension Plan (PSPP), and although I have no direct insight into the Local Authorities Pension Plan (LAPP), I believe APSC's recommendation is the same for LAPP – I understand SFPP may still provide this information upon request.
- APSC has recommended that commuted value estimates NO LONGER be provided to most public servants – public servants wanting to make their best informed decisions now have to hire an actuary or actually “terminate their position” (yes, actually terminate!) BEFORE they will be provided this information from APSC – and by the way, you have to terminate your position BEFORE the age of 55 in order to even have access to your pension payout (CV) . . . if you wait until after your 55th birthday, you no longer have a choice in the matter, you are not provided any CV information - you are required to take a monthly pension.
- Do you trust Kenney (the UCP / AIMCo) with your pension investment dollars?

APSC AND PENSION PLANS OBSTRUCTION

- APSC will provide you with the commuted value of your pension provided you terminate your employment – only then . . . so, what that means is:
 - You have to quit your job before you reach the age of 55 to even be given that option, and only then, will you be provided the option to take out and manage your own pension. If you wait a day after your 55th birthday, taking out and managing YOUR pension funds is no longer an option, you are required to accept the monthly pension calculated for you by APSC.
- *I should note that I believe APSC will still provide the commuted value of your pension if you are going through a divorce – which means that this ‘new formula’ also has real time, real life impacts to public servants managing these very difficult personal situations.*

BACK TO UCP PENSION THEFT:

- How can the new formula be calculated and applied retroactively?
 - I have no idea how – if my pension was \$40,000/year and the CV payout of my pension was \$1,000,000 on March 31, 2020 (having worked 30 years for the GoA) how can that value NOT be finite?
 - I cannot understand how the new formula can be applied retroactively to my 30 years of service, maybe to the next 2 or 3 years of employment before reaching the age of 55 – that then, might be reasonable, might be responsible and might even be acceptable, but hiding the impacts of this change in a large Omnibus Bill, refusing to be open and honest with pension holders by not openly communicating the devastating impacts of this decision to pension holders is anything but reasonable, responsible or acceptable!
- Withholding that specific information and not openly sharing that information with pension holders so that they can make informed decisions, amounts to nothing short of mass disrespect, mass deception, and failed Duty of Care!

Let's also not forget about what was going on in 'the world' in March 2020 – Public Servants were pre-occupied . . . "serving the public" they weren't assuming that their employer was stealing thousands and thousands of dollars from their pensions! And, no less, making a 1.5 billion dollar investment of public \$\$ into the Keystone XL Pipeline?? Do you trust this government with your pension . . . your future?

GREAT COMMUNICATION PLAN!

Just 5 weeks before a person would have to quit work!

During a Pandemic!

- Q&A shared with LAPP members on February 24, 2020 . . .
 - Q – “Will the change in CV calculations reduce lump sum payments after April 1st? If so by how much?”
 - A – “It is likely that lump sum payments will be lower, but it is not possible to say how much lower because each person’s situation is different. The CV basis and interest rates are determined at the date employment ends. No one can accurately predict what a member’s CV will be sometime in the future.”

It is “likely” . . . really?? The only reason to do this was to ENSURE lump sum payments would be lower!

- A more “legitimate” answer to the question would have been:
 - A – “**Absolutely**, the lump sum payments will be lower by 20-30%, maybe more (*don’t kid yourself – the UCP and APSC knew this!*). So, for every \$100,000 you have accumulated as a CV payout for your pension, \$20,000-30,000 will be gone! If you are considering taking a payout of the CV of your pension – do so on or BEFORE March 31, 2020!”

Ironically, had this government been open and transparent in their communications – maybe they would not have had to ‘terminate’ and severance out, as many employees as they have over the last three years. But that would have taken money out of AIMCo . . . money (in theory) they can access simply by passing the required Directives.

Communication Plan – non existent

- Treasury Board and Finance - Briefing Note dated Sept. 25, 2019
 - The impact of the change is that CVs post implementation will be smaller than CVs pre-implementation. This will improve each plan's funded position and will reduce funding costs.
 - The potential concern with a “run on the plan” comes from two different sources:
 - Deferred members may come forward to request a transfer of their CV prior to the implementation date; and/or
 - Active members may terminate their employment prior to the implementation date.
 - The Risk that an active plan member will quit their job in order to qualify for a CV transfer is expected to be very low.

The risk that a deferred member comes forward to transfer their CV is harder to quantify:

- the member must be knowledgeable about CVs;
- the member must learn about the change to CVs and the implementation date; and
- the member must be motivated to approach APS to initiate a transfer.

The longer the period between the change being announced in the BIB (Budget Implementation Bill), and the date it takes effect, the greater is the risk of more people seeking to withdraw their CV.

What have I done to date?

- Over a period of time I obtained several “Termination Statement Estimates” from Alberta Pensions Services Corporation (APSC) – the last one (Pre-Bill 22) was for the end of February 2020 – which I received on March 16, 2020.
 - Note: there was NO information provided to me in this correspondence that indicated any changes (let alone any significant changes) were about to occur. In fact, it was stated that the value provided to me would only increase – for up to a year (February 28, 2021).
- As I was beginning to hear more concerns about the impact Bill 22 had on CV payouts, I requested an updated Termination Statement Estimate on April 14, 2020. As there had been no mention of impacts to MEPP in Bill 22, nor any mention that the changes would be applied ‘retroactively’ to my 30 previous years of service, nor any concerns identified in my very recent estimate communications, I was curious just how much of an impact (if any) the changes might have on my CV payout.
- A month later, on May 12, 2020, I was advised that a decision was made on “May 11, 2020” that Termination Statement Estimates would no longer be provided and that I would need to go to an Actuary to receive this information.
- In June 2020 I filed a FOIP Information Request with APSC to obtain ‘my personal information’ regarding this information, and it was only then I learned of the significant decrease in the CV payout – LIRA portion was similar, but the cash portion was cut in half!

What have I done to date?

- Since June 2020 I have attempted to resolve this issue on my own and at times with the help of legal representation.
- I have sent emails to all MLA's in the province.
 - Note: One of the emails sent asked if the MLA's were aware of the significant impact Bill 22 had on public sector workers leaving their employment who want to manage their own pension funds? Based on received responses, It is clear that many/most MLA's had no idea of the impacts Bill 22 had on pensions . . . yet these were the same MLA's that passed the legislation.
- On July 29, 2021, I met with my MLA (Jackie Lovely) to share my concerns.
- In November 2021, I asked for a meeting with the Finance Minister Travis Toews in the hope to resolve the issue – which was denied.
- I have filed many FOIP Information Requests and have received information that clearly shows the government knew and clearly understood the impacts of the CV formula change, and that their intention (per previous slide) was to minimize (as much as possible) the number of people finding out about the changes in order to reduce risk of members withdrawing the CV of their pension.
- Currently, I have outstanding FOIP Information Requests with Treasury Board and Finance, and with Alberta Pensions Services Corporation.
- The APSC FOIP request was filed in February 2021 – it has been extended a few times since that date, but I have been advised that there are more than 200,000 pages of responsive documents being processed per the Information Request.

What have I done to date?

- I contracted a law firm in August 2020 to look into my matter specifically and see if there was any case against the GoA to be made, I spent over \$8,000 dollars to get an 8 page legal opinion analyzing my situation.
- Based on the analysis I received – because this would be a suit against the provincial government, there will undoubtedly be barriers should we go down the road of a class action lawsuit
- I attempted to resolve my matter with the help another lawyer in February 2021. The demand letter was sent to Alberta Pensions Services Corporation – who eventually responded advising APSC had nothing to do with the changes, and that my complaint is with the GoA.
- I remain unconvinced that the GoA, or Alberta Pensions Services, or any of the Pension Plan holders (LAPP/PSPP/MEPP/SFPP) do not owe a **Duty of Care** to the thousands of public servants significantly impacted financially by the passing of this legislation. In fact, the more I learn from responsive documents received via FOIP requests, the more I believe there may also be a cause of action for dealing in **Bad Faith**.
- Note: no where (anywhere) does the legislation (or any scant communication about the changes to the legislation) imply that the “new formula” calculating the CV payout will be applied retroactively to all your years of service “prior to” April 1, 2020 – the government can acknowledge that tomorrow, and decide that the old formula will be used to calculate CV payout for years of service prior to April 1, 2020 and the new formula will be used to calculate CV payout April 1, 2020 forward . . .

Specific concerns about MEPP:

- One last comment to further the cause for concern regarding the GoA's approach specifically toward members belonging to the Management Employee's Pension Plan (MEPP).
 - Changes to the CV payout for MEP Plan members wasn't even included in Bill 22. Only changes to LAPP / PSPP / SFPP
 - Changes to how CV payouts impacting MEPP members were made by Order in Council (O.C.) 103/2020 on Friday, March 27, 2020 effective on Wednesday, April 1, 2020.
- There was zero communication of the changes to MEP Plan holders prior to the changes taking effect, and even if MEP Plan holders were aware of Bill 22, and were aware that there may be changes impacting 'other' pension plans – they had no advanced notice that MEPP would be impacted at all.

What am I hoping to accomplish by sharing this?

- First and foremost is to educate and inform LAPP / PSPP / SFPP / MEPP members what occurred on April 1, 2020.
- I hope you will do your own calculations and learn how you have personally been financially impacted by this UCP theft.
- I don't believe this legislation is legal and I don't believe it's too late to fight this!
- I don't believe the UCP government showed any (let alone reasonable) Duty Of Care to Alberta public servants. Neither they, nor the APSC, nor the pension plan holders ever clearly communicated what the impacts these amendments would have on future pensioners and retiring employee's wishing to manage their own pension money – this government has shown time after time that they can't be trusted . . .

What am I hoping to accomplish by sharing this?

- I have already spent thousands of my own money to fight, and will continue to do so – but this is too big to do alone
- Although I have no direct asks of anyone today, I am hoping you will be willing to be part of this fight:
 - In the future, if required, I hope to launch a go-fund-me page link on this website to share legal costs (which I have learned are tax deductible specific to pension recovery)
 - Should a go-fund-me be launched, all measures will be taken to ensure ALL contributions go to further the legal cause to reverse the impacts Bill 22 (and O.C. 103/2020) had on your pension.
- I am also hopeful that people with technical skills (i.e. website), investigative skills (i.e. document review), and writing skills (i.e. press releases) are willing to help if/when needed.
- Finally, if you have been impacted, especially if you knew previously that you were impacted, I would really appreciate hearing from you.



**Thank you for
visiting my site
and for reviewing
this material**

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