



June 18, 2018

With negotiations now complete and the major collective agreements ratified, the Health & Welfare contribution rate for working members has been determined for the next 3 years. Two major outcomes have been determined since the establishment of the new rate.

### **Long-Term Disability Benefit - Increase**

The trustees and administrators of the Health & Welfare Plan, with the help of our benefits advisors, have been working for some time on a potential increase to the Long-Term Disability Benefit. The feeling was that the LTD benefit had fallen behind, and increasing it became the number one priority for the trustees. The trustees are happy to announce that effective July 1, 2018, the LTD benefit will be increased to \$2,500 per month. Members with existing Short-Term or Long-Term Disability claims prior to July 1, 2018 will not be eligible for the additional benefit, but the trustees are working on a fair solution.

### **Self-Pay Rates – No Change**

The planned elimination of individual and group Medical Services Plan accounts by the provincial government in favour of a payroll tax on corporations and organizations has resulted in a lower negotiated Health & Welfare rate beginning May 1, 2018 in the Collective Agreements, and therefore fewer funds to subsidize the benefits for Out-Of-Work and Retired Members. While the cost of the overall plan should decrease in 2020, for now, 2018 and 2019 are projected to remain close to breaking even.

After considering multiple options and the various factors that impact the Refrigeration Workers Health and Welfare Plan, the Trustees have decided that there will be neither a decrease nor an increase to the Self-Pay rates for Out-Of-Work or Retired Members. The Self-Pay rates will remain at the current levels until the next scheduled review in 2021 after collective bargaining concludes, or earlier if a review becomes necessary.

The Trustees continue to monitor the performance of the Plan and will seek to ensure that it continues to offer the best coverage for the membership and remains sustainable into the future.

Sincerely,

The Trustees of the  
Refrigeration Workers Health & Welfare Plan

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