

TEAM Pay and Benefits Committee Report

Bob Linsdell
March 27, 2012

Health and Insurance Plans

- **JBC Meetings:** A meeting was held February 9th to discuss the Dental Plan's \$1M+ surplus, Bob Linsdell attended. In addition to the dental plan surplus we discussed the LTD plan and Health Spending Accounts: an item TEAM took to the negotiating table in 2010 that was rejected by the Company. Further discussions on these topics are anticipated. See below for updates on the benefit plans.

- **Blue Cross Health Plan**

- Missing \$400K Surplus

- See the [June 2011](#) thru [February 2012](#) Pay and Benefits reports or the [TEAM Times](#) for the background story.

- Negotiations with Blue Cross are ongoing.

- **Dental Plan**

At the February 9th meeting IBEW and CEP explained their concerns regarding access to the dental plan surplus. The dental plan forms part of their respective Collective Agreements, and in bargaining they were led to believe that the surplus would be dealt with at the JBC; however, there had been no movement from the Company in that regard. JBC members learned later that the surplus was considerably greater than had been suggested at close to \$1.8M.

In March the Company advised the unions, and subsequently the employees, that effective January 1, 2012 the Dental Plan annual per person maximum for routine/major treatment increased from \$1,250 to \$1,500.

MTS DB Pension Plan

- **Pension Committee Meeting**

- See the [February Pay and Benefits report](#) for details of the most recent meeting, November 18, 2011. The next meeting is scheduled for June 6, 2012.

- **Pension Surplus Lawsuit (1998)**

- On February 10th the Manitoba Court of Appeal rendered a [decision](#) that was in favour of MTS. This reversed the lower court's earlier monetary award of \$100M to members of the Defined Benefit Pension Plan.
 - A brief history of the lawsuit and some commentary on the reasons we lost at the Court of Appeal is contained in the Pension Rep report sent to members' homes in March. It is also available [here](#).
 - TEAM, CEP, IBEW and the retirees have all received legal advice from their respective lawyers, and based on that advice we have unanimously decided to seek Leave to appeal the Court of Appeal's decision to the [Supreme Court of Canada](#).

- Our legal team is working on the Leave application. We should know within six months if we are granted leave.

Pension Formula Lawsuit (2011)

- The issue is whether the formula used in calculating pension payments is in compliance with the plan text and pension law principles in general.
- MTS eventually agreed to the legal counsel for the plaintiff (a retired TEAM member) filing an amended statement of Claim has been filed.

MTS DC Pension Plan

- **Pension Committee Meeting**

- See the [February Pay and Benefits report](#) for details of the most recent meeting, November 18, 2011. The next meeting is scheduled for June 6, 2012.
