

Pensions make cents



"We support the local economy first"

– Lola Denesyk, plan member



Blaine and Lola Denesyk find everything they need for their home at Bill Ormiston's store.

Island store recognizes retirees as factor in decades of success

PARKSVILLE, BC – "When you celebrate 30 years in business, you know customers by their first names and they know yours," says Home Hardware owner Bill Ormiston.

The downtown store is hopping after a weekend celebration of the milestone, but Bill's taking a moment to chat with long-time customers Lola and Blaine Denesyk. The 100 per cent Canadian company is a favourite of the retired Parksville couple.

"We can find everything we need for our home," says Lola, a retired Municipal Pension Plan member who worked in administration at School District 68, Nanaimo, for 23 years while contributing to her pension every paycheque.

In the retiree haven of Parksville, businesses like Bill's depend on pensioners shopping locally. "We support the local economy first," says Lola, who loves the friendly, small-town feel of the store.

Retirees like Lola are contributors to the BC economy because, when they spend their pension in their community, they support local businesses and jobs. Their pension income also has a positive effect on the province's gross domestic product (GDP), a measure of how well the economy's doing.

In 2014, BC public sector pension plans made in excess of \$3 billion in direct payments to beneficiaries, and 97 per cent of those beneficiaries were BC residents. The payments supported \$1.66 billion in provincial GDP and 31,000 jobs in the province, according to *Assessing the Economic Impacts of Pension-Income Spending in British Columbia*, a report prepared by Urban Futures.

Lola is proud that the pension she contributed to for so many years now supports her community through the direct economic impact of the purchases she makes.

The store employs six people full time, with the longest employee serving eight years, and nine part-time staff. Meanwhile, Bill is a big supporter of local charities and community events.

Whenever he can, Bill buys local products to feature in the store, a fact that didn't go unnoticed by the town's newspaper when it carried a feature of anniversary celebrations. A dozen local businesses sponsored the feature, recognizing their relationship with Ormiston's Home Hardware store.

Bill is grateful for the support: "There are a percentage of people out there without this safety net. Because we have a large number of retirees in our community, it creates a stable income for our community."

2014

Economic impacts of BC public sector pension plans

In excess of
\$3 billion

BC public sector pension plans made in payments to beneficiaries.

Economic impact of pension income spending from BC public sector pension plans on provincial GDP.

\$1.66 billion

\$310 million

Total government tax revenue from BC public sector pension income spending.

BC public sector pension recipients who were residents of BC.

97%

Pension income spending from the BC public sector pension plans had as **strong** an economic impact on provincial **GDP** as the **forestry** and **logging** industry.

31,000

Number of jobs supported by pension income spending from BC public sector pensions.