

Intouch

Retiree Pension Bulletin

Defined Benefit

Corporate performance results in 2012

Canada Post reported a before-tax profit of \$98 million in 2012. However, the segment would have lost \$54 million before tax if not for one-time adjustments of \$152 million, which are not cash. The adjustments mainly reflect the lower future costs of sick leave and post-retirement benefits that were negotiated with the Canadian Union of Postal Workers in December 2012.

2012 was marked by the rapid drop in Lettermail volumes. Canadians mailed almost one billion fewer pieces of domestic Lettermail in 2012 than they did in 2006. Almost 30 per cent of that decline occurred in 2012 alone. Compared to 2011, Lettermail volume fell 6.4 per cent in 2012.

“The Lettermail volume decline and the steady growth of addresses are driving the need for Canada Post to transform the business,” said Jacques Côté, Group President, Physical Delivery Network. “Canadians are looking to us to offer reliable, affordable, convenient delivery of letters and the parcels they are ordering online.”

In addition to volume decline, the increase in the Canada Post Pension Plan’s solvency deficit to be funded from \$4.7 billion to \$5.9 billion places greater pressure on the financial position of Canada Post going forward.

In 2012, parcel volumes grew by 6.7 per cent. As well, employees achieved improved on-time service performance, setting combined service records for some products and surpassing targets in most others. Employees also achieved the best year for injury frequency since 1983.

Questions about?	Contact
pension payments, income tax, T4A, garnishments	RBC Investor Services Benefit Payment Services 1-800-876-4498
pension benefits, survivor benefits, beneficiary designations, basic life insurance	the Pension Centre 1-877-480-9220, 1-866-370-2725 (TTY) 613-683-5908 (Outside North America) cpcpension.com
how to change your address	the Pension Centre or send your change by mail PO Box 2073, Mississauga ON L5B 3C6, or by fax at 905-272-6300
health and dental benefits	The Great-West Life Assurance Co. For information on: -coverage, rates, etc.: 1-866-249-5723 -claims: 1-866-716-1313, 1-800-990-6654 (TTY) greatwestlife.com
	PlanDirect For information on: -coverage, rates, etc.: 1-800-565-4066 -claims: 1-866-430-2863 https://www.e-benefit.com/canpost
Want to contact your elected Pension Advisory Council representative?	Send an email to pension.services@canadapost.ca



Disclaimer:

The Canada Post Corporation Registered Pension Plan is referred to as the Plan in this publication. The official Plan text governs your actual benefits from the Plan and is the final authority in any case of dispute. For more information on terms used in this publication, please visit **cpcpension.com**.

Canada Post Pension Plan 2012 financial results

2012 Report to members

The 2012 Report to members will be mailed in June.

This new shorter report is packed with information about the Plan's financial situation, membership, investment performance and services delivered to members.

The Plan's audited financial statements are not in the report. They are available on cpcpension.com or by calling the Pension Centre.

Tell us what you think by July 31. Fill out the **survey card** included with the report and return it by mail. Or complete the survey online on cpcpension.com.

The Plan ended 2012 with an estimated solvency deficit to be funded of \$5.9 billion, which is \$1.2 billion higher than the deficit of \$4.7 billion at the end of 2011.

The Plan achieved a rate of return of 10.1 per cent for the year. This rate outperformed the Plan's benchmark return of 8.5 per cent.

At the end of 2012, the Plan had \$16.8 billion in net assets available for benefits, an increase of \$1.4 billion from 2011.

The Canada Post Pension Plan 2012 Report to members contains more information about the Plan's financial situation and investment performance. It also explains why the solvency deficit has grown despite good investment returns in 2012 and what this means for Canada Post and Plan members. Read it to learn more and understand why the Plan needs to evolve so that it may continue to be relevant and sustainable for members and for the Corporation.

When a retiree passes away...

Contact the Pension Centre at 1-877-480-9220 (TTY 1-866-370-2725) and have the following information available:

1. Retiree's name, employee number (if available), date of death and marital status at death
2. Name of spouse or common-law partner (if applicable), date of birth, address and telephone number
3. Eligible children's names, date of birth and school
4. Executor's name, address and telephone number
5. Beneficiary's name, address and telephone number

Go to cpcpension.com under Pensioners, Survivor Information for more details and a printable Survivor's General Guide that contains an easy to follow checklist.

Direct deposit advices for retirees and survivors are available online at epost™.

epost™ from Canada Post lets you receive, view and store your Direct Deposit Advice in one secure location.

Simply log onto epost.ca, go to the epost mailer list and choose "RBC Investor Services." Note that you'll need some information from your Direct Deposit Advice to complete the sign-up process.

Don't have an epost account? Go to epost.ca and follow the online instructions. It's free to sign up and use, plus you'll be helping the planet.

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Here are some stats

Retirees

How many: 2012: 26,236
2011: 23,635

Average age: 2012: 63.2
2011: 62.7

Active members

How many: 2012: 57,533
2011: 58,958

Average age: 2012: 48.5
2011: 48.2

Do you have a topic in mind for our next "Intouch" bulletin?

Please submit any suggestions or comments in writing to:

PENSION SERVICES
2701 RIVERSIDE DR
SUITE B320
OTTAWA ON K1A 0B1

OR send an email directly to:
pension.services@canadapost.ca