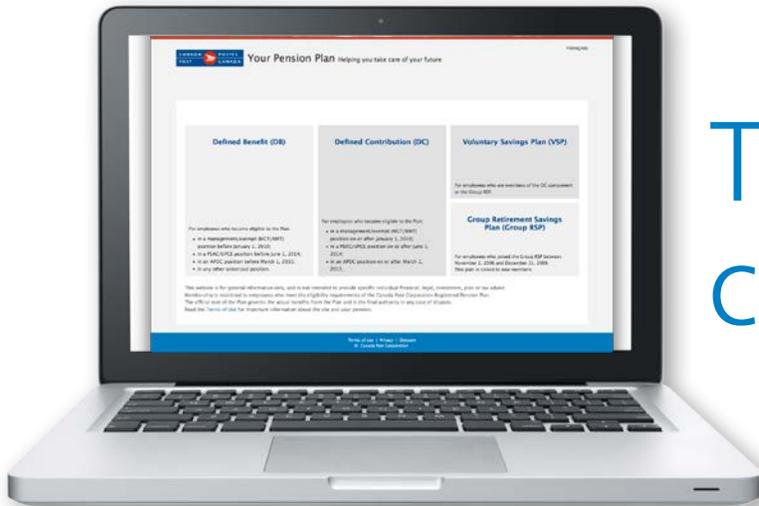


# Pension Plan News



TOTAL COMPENSATION Pension | Benefits | Pay and Incentives | Health and Well-Being



## The new look of [cpcpension.com](http://cpcpension.com)

If you've visited [cpcpension.com](http://cpcpension.com) over the last several months, you've likely noticed something's different. We've updated the site with a newer, simpler look – the first major refresh since 2006. But don't worry, we didn't remove any of the important information the site provided before.

In fact, we expanded the site to include all four Canada Post pension programs: defined benefit, defined contribution, Voluntary Savings Plan and Group Retirement Savings Plan. You'll need to select your pension program from the [cpcpension.com](http://cpcpension.com) landing page to view the information you're looking for.

The site features a new colour scheme and layout with improved navigation and detailed drop-down menus. The content is now organized in an easy-to-follow question-and-answer format.

**We expanded the site to include all four Canada Post pension programs: defined benefit, defined contribution, Voluntary Savings Plan and Group Retirement Savings Plan.**

"I'm proud of our new website and what it offers to our users. It was a challenge to make sure the conversion went smoothly and new information was integrated correctly. With the collaboration of my colleagues here at Canada Post and at Innovapost, this project was a success," said Nicole Brisson, Officer Member Information, who led the pension website redesign project.

We would love to hear your feedback and suggestions for the site. Send them to [pension.services@canadapost.ca](mailto:pension.services@canadapost.ca). Visit [cpcpension.com](http://cpcpension.com) today.

### IN THIS ISSUE

Introducing the Communications and Consultation Group . . . . .	Update: DB members' contribution rate . . . . .	PSAC pay equity . . . . .
2	3	5
2015 Pension Advisory Council elections . . . . .	Investment performance results . . . . .	Pre-retirement seminars reminder . . . . .
2	4	5
Pension Plan 2014 financial results . . . . .	You asked? . . . . .	Seven questions to ask yourself before you retire . . . . .
3	5	6

**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, visit [cpcpension.com](http://cpcpension.com); you can also refer to Your Personalized Pension Statement and Your Information Booklet.

# Introducing the Communications and Consultation Group

Last October, Canada Post announced the creation of the Communications and Consultation (C&C) Group, supporting the commitment to keep all DB Plan members and stakeholders engaged in understanding and addressing the challenges of the Pension Plan.

The C&C Group is now in place to provide input on how best to inform and consult Pension Plan members about the Plan's current situation and any proposals that may affect Plan members.

The C&C Group is made up of 12 members, five elected and seven appointed, to represent their stakeholder groups.

The first C&C Group meeting is being scheduled. Visit [cpcpension.com](http://cpcpension.com) for updates and frequently asked questions.

Stakeholder	Representative
Management and exempt defined benefit (DB) members	<i>Elected</i> Fred Pollard
Unionized active DB members	<i>Appointed</i>
APOC	Darrin Kohut
CPAA	Daniel Maheux
CUPW (UPO and RSMC)	To be announced* To be announced*
PSAC/UPCE	François Paradis
Retirees, including survivors and deferred DB members	<i>Elected</i> Mary Bishop Lynn Bue Jean-Claude Parrot William (Bill) R. Price
Canada Post as Plan administrator	<i>Appointed</i> Mike Garvey Amanda Maltby

\*Name of appointed representative was not available at the time of printing.

## 2015 Pension Advisory Council elections



The Pension Advisory Council (PAC) welcomes Nelson Chan, the successful candidate in the recent election for the representative of management and exempt members of the Plan.

We will hold another election later this year to elect the representative of all active Plan members. Eligible employees will receive information regarding this election by mail in late August.

The PAC elections are open to eligible members of the defined benefit and defined contribution components of the Plan. Visit [cpcpension.com](http://cpcpension.com), under Governance > Pension Advisory Council for more information about elections, updates on PAC membership and more details about the PAC.

You can contact your elected representative of the PAC at [pension.services@canadapost.ca](mailto:pension.services@canadapost.ca).



## Pension Plan 2014 financial results

The Canada Post Pension Plan defined benefit (DB) component recorded a rate of return of 10.9% in 2014, and the Plan's net investment assets reached \$20.9 billion. The current estimate of the Plan's financial position as at December 31, 2014, is a going-concern surplus of \$481 million and a solvency deficit to be funded of \$6.8 billion. The solvency deficit when using market value of Plan assets is estimated at \$6.9 billion.

Without deficit funding relief, Canada Post would have had to contribute an additional \$1.3 billion to the Plan in 2014, over and above the regular contributions of \$251 million and special payments of \$41 million. Plan members contributed \$244 million.

Canada Post continues to face significant challenges with the Pension Plan due to the roller-coaster ride of market volatility and low discount rates, in addition to people living longer and receiving their pensions over a longer period.

We will file final year-end actuarial valuation results for the Plan with the Office of the Superintendent of Financial Institutions (OSFI) and the Canada Revenue Agency (CRA), our pension regulators, by the end of June.

For more information, refer to the *Canada Post Pension Plan 2014 Report to Members*, mailed to all members' homes and posted at [cpcpension.com](http://cpcpension.com) in May 2015. It contains information about the Plan's performance, investments and services to members, as well as an explanation of the actuarial valuation results. Refer also to Canada Post's 2014 Annual Report at [canadapost.ca](http://canadapost.ca).

## Update: DB members' contribution rate

The contribution rate for DB members will remain at its current level as of July 1, 2015. The Plan has a 50/50 cost sharing arrangement between DB members and Canada Post. At this time, the cost sharing is very close to 50/50, with Canada Post contributing slightly more than 50%.

The employee contribution rate is based on the cost of the Plan, and it is adjusted based on the annual valuation done by the Plan's actuary. The rate may change in the future to make sure the 50/50 cost sharing is maintained over time. Any change must be approved by the Board of Directors.

Go to [cpcpension.com](http://cpcpension.com) and select Contributions in the Members menu to learn more about your contributions to the Plan.

We appreciate your feedback. Send your comments or suggestions for the newsletter in writing to [pension.services@canadapost.ca](mailto:pension.services@canadapost.ca) or

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

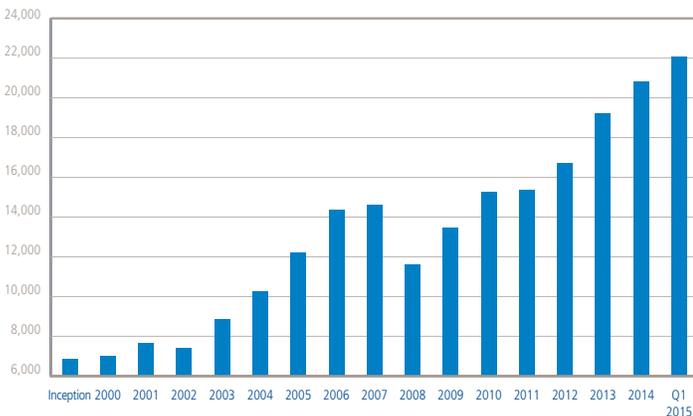


# Market conditions

Equity markets were up in the first quarter of 2015. The Canadian S&P/TSX Composite Index was up 2.6%, while in Canadian dollar terms the U.S. S&P 500 Index was up 10.4% and the international EAFE Index was up 14.7%. The FTSE TMX Canada Universe Bond Index was up 4.2% on the quarter. The Bank of Canada lowered interest rates from 1.0% to 0.75% during the quarter. The following table depicts the performance of the Plan's fund (per cent return).

Asset class	Market value (in millions of dollars)	2015 Jan-Mar (%)	2014 Annual (%)	2013 Annual (%)	2012 Annual (%)	2011 Annual (%)	2010 Annual (%)	2009 Annual (%)
<b>Fixed income</b>								
Cash and short-term	209.8	0.2	1.1	1.0	1.0	1.0	1.0	1.7
Bonds	6,709.0	4.2	8.3	-2.0	4.6	10.5	7.7	8.7
<b>Equities</b>								
Canadian equities	4,698.1	2.8	11.6	20.3	7.3	-9.1	15.2	33.0
U.S. equities	5,165.4	12.3	22.3	44.2	14.7	3.1	9.5	9.9
International equities	3,486.1	12.9	3.9	24.0	17.8	-12.7	4.0	16.3
Real estate and infrastructure	1,801.7	2.1	8.3	11.3	15.2	15.0	15.1	-9.1
<b>Total Registered Pension Plan</b>	<b>22,070.1</b>	<b>6.26</b>	<b>10.86</b>	<b>16.88</b>	<b>10.13</b>	<b>0.19</b>	<b>10.38</b>	<b>16.19</b>
<b>Benchmark</b>		<b>6.07</b>	<b>10.99</b>	<b>14.00</b>	<b>8.51</b>	<b>0.78</b>	<b>9.85</b>	<b>15.79</b>

## Investment highlights

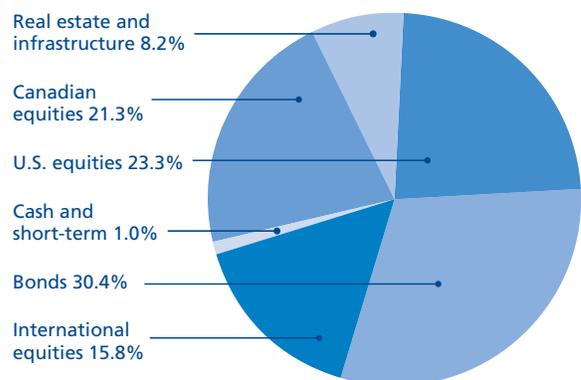


- The fund's first quarter return was 6.26%, compared to our benchmark of 6.07%.
- As at March 31, 2015, the fund held assets of \$22,070 million.
- The fund had net cash outflows of \$98.3 million in the first quarter. U.S. equities were reduced by \$403.7 million. We added \$97.9 million to nominal bonds, \$96.8 million to the currency overlay account, \$25.0 million to international equities and \$27.2 million to cash and short-term investments. In the alternative assets space, we added \$66.4 million to real estate and \$0.8 million to infrastructure, while reducing private equities by \$8.7 million during the quarter.

## Asset mix highlights

- As at March 31, 2015, 68.6% of assets were invested in equities and real estate and infrastructure, compared to the asset mix target of 62.5%. This was made up of 21.3% Canadian equities, 23.3% U.S. equities, 15.8% international equities and 8.2% real estate and infrastructure.
- 31.4% of assets were invested in bonds and short-term investments, compared to an asset mix target of 37.5%. This included 5.7% in real return bonds, 24.7% in nominal bonds and 1.0% in cash and short-term investments.

### Asset mix



# You asked?

From time to time, we receive suggestions for topics to include in our newsletter. Recently, a retired Plan member asked us to help make investment terms easier to understand. Starting in this issue, we are launching this new column.

## Investment terms explained: **benchmark**

A benchmark is a point of reference used as a basis for evaluation or comparison. In the investment field, a stock or bond index is used as a standard against which the performance of a group of similar assets can be compared or measured. Some examples of indexes (also called indices) that are commonly reported in the news are the S&P/TSX Index (a Canadian stock market index) and the S&P 500 Index (a U.S. stock market index).

The Canada Post Investment Division uses benchmarks to measure the performance of the Plan's investment returns. The team also uses other benchmarks, such as the index from RBC Investor Services to compare the rate of return earned by our Plan assets to the rates earned by other large Canadian pension plans. The index is called the RBC Investor Services universe of large Canadian pension plans, and it reports on Canadian pension plans with assets over \$1 billion.

If there are other terms you would like us to explain, let us know or check the glossary at [cpcpension.com](http://cpcpension.com).



## Pre-retirement seminars reminder

Learn more about your retirement. Attend a free pre-retirement seminar offered by Canada Post.

### **Defined benefit (DB) members**

Pre-retirement seminars are offered by invitation only, once you are within five years of an unreduced pension. The full-day seminar is offered in specific locations across Canada. Registration is still open for 2015. See your invitation package for dates, locations and registration information.

### **Defined contribution (DC) members**

*Are you retirement ready?* is a webinar offered to members within five years of retirement. The live webinar is scheduled and hosted by Sun Life Financial. Dates and registration information for 2015 will be emailed to DC members in September. If you are more than five years from retirement, there are other webinars designed to help you plan your retirement savings. Visit [cpcpension.com](http://cpcpension.com) to see more.

Can't attend a session? *Planning your retirement* e-learning is available at any time on Intrapost. Visit the Learning Zone and search "retirement" in the course catalogue.



## PSAC pay equity

Canada Post is finalizing the payment to eligible employees following the ruling of the Supreme Court of Canada. **If you worked in a CR-2, CR-3, CR-4 or CR-5 position represented by the PSAC/UPCE bargaining unit between August 24, 1982, and June 2, 2002**, you may be eligible for a payment.

If you have not yet been contacted, notify Canada Post by email at [payequity@canadapost.ca](mailto:payequity@canadapost.ca) or by mail at

PAY EQUITY TEAM AT CANADA POST  
2701 RIVERSIDE DR SUITE B432  
OTTAWA ON K1A 0B1

For more information, visit [canadapostpayequity.ca](http://canadapostpayequity.ca).

# Seven questions to ask yourself before you retire

By Kevin Press, **BrighterLife.ca**

Guess what new retirees say their biggest surprise is when they finally leave work? “Seven days of fishing or golf just isn’t as much fun as they thought it would be,” according to Eileen Chadnick, principal and certified coach at Big Cheese Coaching. She and I spoke about the value of a retirement plan that takes more than financial questions into consideration.

“After the immediate [retirement] honeymoon, a life filled exclusively with leisure stops being leisurely,” Chadnick told me. “All rest, no stress, no challenges becomes really very unbalanced. People need to find balance or they will get bored. People who don’t have a plan – who don’t have activities and ways to engage all aspects of their personality – don’t do well in retirement.”

Chadnick counsels her clients to begin thinking about that plan soon after their 40th birthday. If that’s already passed, start now. It’s especially important to begin early if you decide you’d like to do something in retirement that’s dramatically different from what you do now. Some see retirement as an opportunity to begin a new career, for example. If that requires training, work that into your plan.

## Don’t wait to think about retirement

“How do you shift gears? You need to get your mind around that and prepare to think about other possibilities for yourself,” she said. “I think people make the mistake of waiting until it’s too late.”

What are you supposed to spend all that time thinking about? Chadnick prepared this checklist of seven questions for us:

1. What will be most important to you in retirement? What will give you a sense of purpose? What will be your passion?
2. What kind of work do you want to do, if any? Will it be strictly paid work or include unpaid, volunteer work?

3. Do you want to remain in your existing career? Would you rather do something entirely different?
4. Leave aside the financial importance of work for a moment. How important will work be to you in terms of intellectual and social fulfillment?
5. In the absence of a work schedule, how much structure do you want in your day?
6. How will you replace some of the good stuff of work: intellectual engagement, challenge and growth opportunities? If you’re not getting the social interaction you had in your workplace, how will you stay connected?
7. What do you need to stay motivated, inspired and engaged? What do you need to stay healthy, vibrant and resilient?

Clearly, this is not your grandfather’s retirement. It may not look much like your mother’s, either. Chadnick attributes this shift to the baby boom generation and its dedication to active living.

“Boomers will not hang out on the porch,” she said. “Boomers have always been known to defy the rules. Retirement is no different. We get a lot of meaning through work. We want to be relevant in all our life stages.”



Copyright © Sun Life Assurance Company of Canada, 2014.  
Original source: *Seven questions to ask yourself before you retire*,  
written by Kevin Press, for BrighterLife.ca