

# PENSION PLAN

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# NEWS

## PENSION FUND INVESTMENTS – Q&A

1. Who invests the money?
2. Where is it invested?
3. Who is responsible for making decisions?
4. What is the Pension Advisory Council's role with regards to the pension fund?
5. When can I expect to receive information on the pension fund and will I be receiving it on a regular basis?
6. How much money has been transferred by the Gov't to date, what is the balance outstanding and when will it be transferred?



### Answers

**1 • THE MONEY** is invested by a number of professional external money managers who are chosen by the Investment Committee (the investment committee is formed of a panel of investment experts, one of which is recommended by the unions/associations). These managers are chosen based on their historic performance record and their knowledge of the specific investment category they are responsible for.

**2 • THE MAJORITY** of the money is invested in the Canadian and foreign stock markets, a smaller percentage is invested in the bond markets and in short term investments.

**3 • THE DAY-TO-DAY** investment decisions are the responsibility of the money managers based on specific guidelines set by the Investment Committee. However, the general investment strategy, asset mix and investment policy is the responsibility of the CPC Board of Directors.

**4 • THE PENSION** Advisory Council's responsibility, in relation to the Fund, is to review, at least once a year, the financial aspects of the Fund. It is also responsible for promoting awareness of the Plan. The Council is not responsible for setting investment policies or the administration of the Fund.

**5 • AN ANNUAL** report on the Fund will be issued to all employees starting in 2002. This report will contain information related to the fund's overall performance as well as the fund's performance by asset class along with general information on the administration of the Fund.

**6 • AS AT MARCH 31, 2001,** approximately \$1Billion had been transferred from TB to the Canada Post Pension Fund. There remains approximately \$6Billion to be transferred. That will be done over the next year or so.



Well the election is over and the representatives have been chosen. More than 11,000 valid votes were cast for the 90 candidates who stood for the two elected positions available for employee representation on the Pension Advisory Council.

Congratulations are in order for **C. Dereck L. Millar**, corporate treasurer at Head Office, elected to represent members of the Canada Post Pension Plan not represented by a bargaining agent. **William R. Price**, director, Economic Strategy and Regulatory Affairs, also at Head Office, was elected to represent all employees who are members of the pension plan.

As you may know, the Pension Advisory Council is composed of 16 members. Five nominated by Canada Post, eight nominated by the unions/associations and three elected by the members. (see chart below). With two elected positions now filled, the remaining position—one representative for all retired members and open to all retired members—will soon be the focus of an election.

“I would like to extend my sincere appreciation to all the candidates who participated in this election,” said Patrick Tardif, General Manager, Pension Division, who also serves as chairperson of the Advisory Council. “We are all committed to ensuring that our new plan achieves the best possible result for all plan members.”

## The council's responsibilities include;

- ▶ Recommending steps to promote awareness and understanding of the Pension Plan and its operation among members.
- ▶ Reviewing, at least once every year, and advising the Pension Committee on the financial, actuarial and administrative aspects of the plan;
- ▶ Performing any administrative functions prescribed by the Pension Benefits Standards Act, 1985;
- ▶ Performing any other functions assigned by Canada Post, the plan administrator.

The Council, scheduled to hold its first meeting this summer, will meet on a regular basis.

Look for more information on the Council's activities in future issues of Pension Plan News.

### Do you still have Questions?

Feel free to ask questions and make your views known to us. Write to Benefits Administration at the following address:

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You can also send e-mail to HO, Pension-Division:  
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