

Greetings Society Pensioners' Chapter Members!

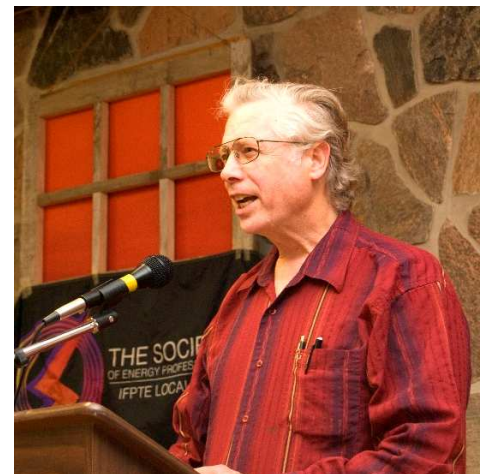
It seems like spring has arrived early in most parts of the Province. The warmer weather this year is accompanied by a debate that's heating up too on the rules that govern pension plans, and the strength of Canada's retirement income systems. This issue highlights a couple of ongoing proceedings, and invites you to attend our Annual General Meeting if you are in the Toronto area on May 6. The Society of Energy Professionals Pensioners' Chapter provides a website, e-mail and voice-mail contact points, and advocacy services for Society pensioners and associates.



Society Pensioners' Chapter Executive and Subcommittee members meeting at the Society Office, Jan 2010
Front row (l-r): George King, Dave Jefford, Diane Zavitz, and Dave Young
Back row (l-r): Mark Ammar, Sandra Edwards, Fred Hodgson, and Peter Matthews

Presidents Message

This year has been incredibly busy. We have increased our membership by more than 30%. I hope most of you can attend our AGM (see notice at the end of this newsletter). Jim Murray, past president of the Canadian Federation of Pensioners (CFP) will speak to us on **"How Secure is Your Company Pension?"** As the president of the Society Rod Sheppard states, "Public Services and public sector workers (OPG, H1, Toronto Hydro and OEB) are under the gun every day in the media, as politicians and business lobbyists demand outsourcing, privatization and program cuts. Wages, benefits, and pensions are clearly being targeted." Due to the inadequacy of Canada's bankruptcy legislation (compared to more than 40 other countries around the world), and with the introduction of "hedge funds", banks and investors are now able to buy up Canadian companies at no risk to themselves, force them into bankruptcy, then legally "steal" money and assets that pensioners expected would be coming to them. I urge you to come to the AGM to find out how you can lobby and help protect all Canadian defined benefit pension plans like ours.



Dave our President speaks to Bruce Local members and pensioners at the April 8 "Beef Fest" gathering

Canadian Federation of Pensioners Activities

Your Pensioners' Chapter is a member of the CFP, a national body made up of the pensioner associations of many large companies (e.g. Air Canada, General Motors, Chrysler, Bell, Nortel, DuPont, Stelco, etc.). Our president, Dave Jefford, sits on the CFP's Board of Directors.

The CFP is making important presentations to both Ontario- and Federal-government committees and members of parliament considering pension regulation reform. In particular, Ontario's Finance Minister, Dwight Duncan, has introduced Bill 236 to begin the reform process here. Minister Duncan has stated that

more pension reform legislation will be introduced later this year, so in the meantime the CFP has taken a stand on what to support in Bill 236 and what's needed in the next bill.

The CFP advocates and supports:

- the increased role for retired members on the new Pension Advisory Committees
- increased provisions to facilitate communications by pensioner committees to all retirees
- elimination of the current 3-year valuation cycle and its 9-month reporting delay
- a requirement for annual communications on plan status to all retired members
- no withdrawal of plan surpluses except for amounts that exceed 125% of the plan's solvency liabilities
- any distribution of surpluses should go to employers and plan members in the same ratio as their contributions
- stronger requirements for real-time financial reporting to the Pension Advisory Committee
- prompt correction of pension plan asset deficiencies
- innovative "partial retirement" pension provisions
- better rules for employee or pensioner transfer between plans (benefits should not be eroded for any service accumulated under the original plan)
- the creation of a "safe harbour" facility for assets from transferred workers or insolvent sponsors (to prevent excessive losses due to annuity marketing practices)
- a stronger Pension Benefits Guarantee Fund
- that any defined benefit pension plan deficiency be accorded priority creditor status if a sponsor goes into bankruptcy (this requires changes to both provincial and federal legislation).

Inergi and New Horizon Pensioner Info Sessions on our Website

Inergi and HHSS have both held information sessions recently on their pension plans. We have posted the PowerPoint presentations from each session on our website. We encourage other employers to provide similar information on their pension plans in a format that can be shared with as wide an audience of their pensioners as possible.

Political Action Required

Federal finance minister Jim Flaherty has announced a public consultation process on pension issues where individuals can appear or can present written comments by the end of April. The government web site <http://www.fin.gc.ca/n10/10-022-eng.asp> discusses the community meetings further and contains a link that explains how you can make a submission by e-mail or tree-mail. You may wish to use some of the points from the CFP (above), or you could pick from the following issues:

- the health of federally regulated pension plans
- the adequacy of retirement savings among Canadians
- the treatment of underfunded pension plans in the event of employer bankruptcies under the Bankruptcy and Insolvency Act
- the comparison of Canada's retirement income security system to those of other OECD countries.

Pensioners' Chapter Executive Meeting Highlights

Your Chapter Executive has met four times (Dec 10, Jan 21, Mar 4, and Apr 9) since the last Pensioners' Chapter Update in December. Some highlights from the meetings follow.

December: Because 2010 is a "heavy" bargaining year (9 out of 14 collective agreements administered by the Society are up for renewal this year), our subcommittee on benefits will review the local-by-local

differences in health and dental coverage to flag any issues of priority to pensioners. These, in turn, will be forwarded to the local bargaining committees to assist in their deliberations.

The pending Ontario Pension Benefits Amendment Act, Bill 236, is commanding a great deal of attention among pensioners' groups. It is the first stage of Ontario's response to the Arthur Commission recommendations. (A second set of more substantive amendments is supposed to be introduced in mid-2010.) This first bill is mostly concerned with housekeeping improvements that govern setting up and transferring pension funds. However, three significant changes involve: 1) defining retirees as "retired members" of a pension plan (thus entitling them to many things now only available to active "members"); 2) setting up a "Phased Retirement" framework (which will only be fully-defined through regulations to the act); and 3) "grow-in rights" are extended to all members with age+service equal to 55 or more. It is expected that the more substantial issues of solvency deficits in bankruptcy and surplus ownership will be dealt with in the second phase (yet to be announced) of the legislation. We suggest that Chapter Members and the Local Vice-Presidents consider writing their MPPs to make them aware of the importance of these reforms.

January: Chapter awareness mailings were sent to all Hydro One non-member Society-represented pensioners and are similarly being prepared for the same OPG retiree group. This effort is being made to increase the reach and strength of the Pensioners' Chapter as we enter a critical period of pension reform legislation at all levels of government.

The Executive voted to formalize the Chapter roll of providing input to the Local Bargaining Teams on pensioners' issues, and to establish a process that supports this roll. In a first effort to communicate benefits issues to all stakeholders, the Benefits Comparison Summary in this newsletter was prepared by our subcommittee.

As part of the Chapter's 2010 work plan, we decided to study the issue of business sale or bankruptcy implications for pensioners under Canadian and Ontario law. There are many varied and complex outcomes as evidenced by recent dire cases in the news. That Canadian laws leave pensioners so vulnerable (unique in the western world, as it turns out) is a major reason to lobby for change in upcoming legislation.

March: The Society pays particular attention to the business situation of the privatized locals (e.g. Inergi, Kinectrics, NHSS). Sales of these businesses and/or changes in their functional relationships to the parent companies are decisions in the hands of the current owners; however, advance planning and influence with the employers and the government of the day will ensure the best outcomes for current and retired employees of these companies.

Chapter awareness mailings have been sent to all OPG non-member Society-represented pensioners.

George King is putting together a team to investigate possible options in any potential windup at one of our privatized Locals. We want to ensure that people receive what they were told they would receive.

Our membership has climbed to 703, and further responses from the awareness mailings are expected. Currently, 53% of our members come from OPG, 28% from Hydro One, and 6% are from Bruce.

April: We will be seeking the pensioner mailing lists of Bruce, and the smaller locals, now that the Hydro One and OPG mailings have gone out. Total membership has risen to around 800, with more responses coming in from the recent mailings.

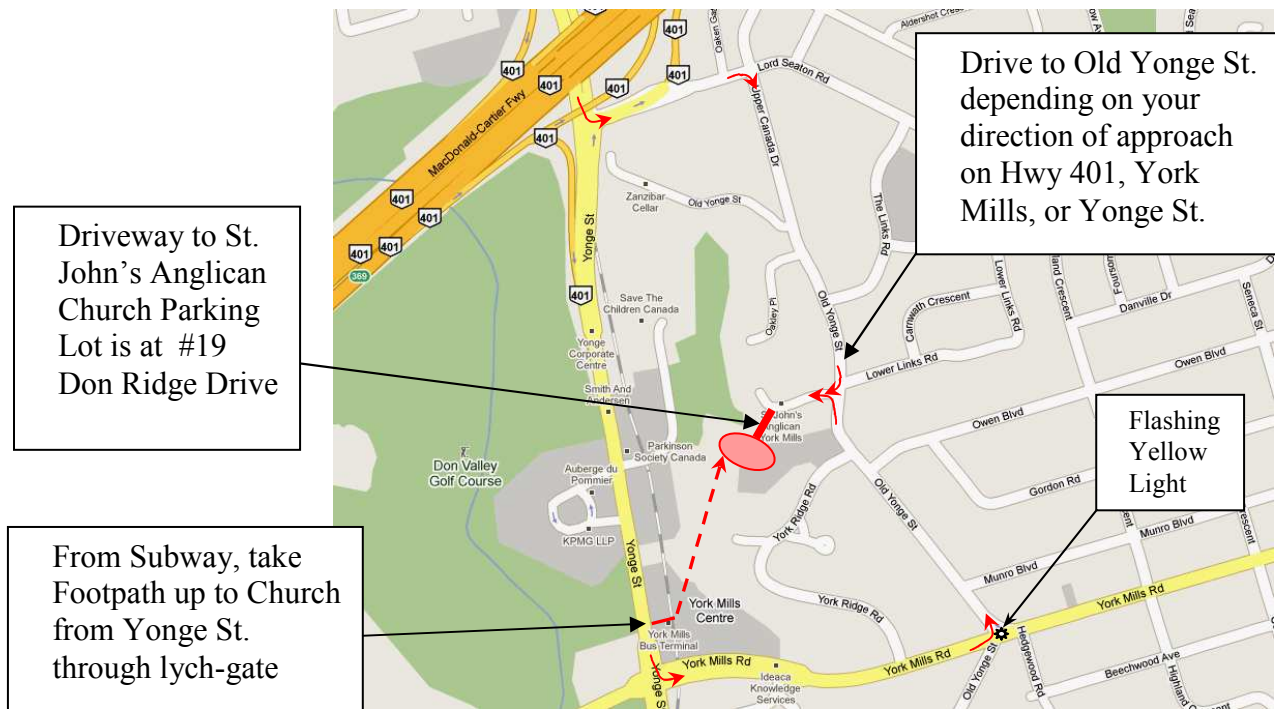
Dave Jefford attended the OFL/CLC Pension Summit on Saturday March 27 in Toronto with presentations by government, labour, and pensioner groups. Two separate issues are emerging in the mainstream pension discussions taking place now. One is the provision of retirement income for people who had low wages during their working lives. Second is the security of pension provisions for people who planned ahead but may now be faced with employer defaults. The two problems are quite different, and solutions need to address both ills.

Planning for the AGM next month including arrangements, agenda, speakers, and motions occupied much of the April meeting.

Annual General Meeting to be held May 6, 2010

The time, place, and agenda for next month's Pensioners' Annual General Meeting is listed on the last page of this newsletter (also see map, below). If you live in or are visiting the Toronto area on May 6, please join us for the meeting and let us know how we can serve you better. **Due to changing Federal and Provincial Pension Legislation this is a meeting not to be missed!** Our featured speaker, CFP's Jim Murray, will provide insight on issue "How Secure is Your Company Pension" taking into account recent events and required legislation.

In order that catering can be arranged please RSVP, either by e-mail to pensionerschapter@society.on.ca or call 416-979-2709 Ext. 4000 (toll free: 1-866-288-1788 ext 4000).



For more information, please visit our website at:

http://www.thesociety.ca/secondmenu/my_local/my_local.html?page_id=24

2009-2010 Chapter Executive

Dave Jefford – President, *Fred Hodgson* – Interim Vice-President, *George King* – Treasurer,
Dave Young – Secretary, *Mark Ammar* – Director, Member-at-Large,
Peter Matthews – Director, Member-at-Large

E-mail us at: pensionerschapter@society.on.ca

Telephone messages may be left at: 416-979-2709 ext. 4000 or Toll Free: 1-866-288-1788 ext. 4000.



Agenda for Annual General Meeting of Society Pensioners' Chapter May 6, 2010

Date: Thursday, May 6, 2010

Time Scheduled: 12:30 pm – 4:30 pm

Place: St John's York Mills Anglican Church

19 Don Ridge Drive, Toronto

(Use East entrance – follow signs for Preschool Daycare)

Executive:

Dave Jefford, President
Fred Hodgson, Interim Vice-President
George King, Treasurer
Dave Young, Secretary
Mark Amar, Director-at-Large
Peter Matthews, Director-at-Large

Society Representatives:

Rod Sheppard, President
Dennis Minello, Acting EVP, Membership Services
Lanny Totton, EVP Finance
Brian Robinson, Communications Officer

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| 12:30 | 1. | Registration and Meet & Greet |
| 1:00 | 2. | Lunch |
| 1:15 | 3. | Welcome & Introductions |
| 1:25 | 4. | Greetings from Society President Rod Sheppard |
| 1:35 | 5. | Review and Approval of Last AGM Minutes |
| 1:50 | 6. | Pensioners' Chapter President's Report |
| 2:10 | 7. | Jim Murray, Canadian Federation of Pensioners:
"How Secure is Your Company Pension?" presentation & question period |
| 2:40 | 8. | Treasurer's Report |
| 2:50 | 9. | Secretary's Report |
| 3:00 | 10. | Motions and Chapter Business |
| | i. | Call for Nominations and Election of Chapter Vice President |
| | ii. | Amendment to Chapter By-Laws (§3.1: change "two Directors Member-at-Large" to "four Directors Member-at-Large") |
| | iii. | Call for Nominations and Election of two additional Directors Member-at-Large (pending approval of §3.1 amendment, above) |
| 4:00 | 11. | New Business |
| | i. | Request for Volunteers (subcommittees, webmaster, other) |
| 4:15 | 12. | Open Forum with Chapter Executive |
| 4:30 | 13. | Adjournment |