

AFTER WORK

A Newsletter for Retired Members of the WorkSafeBC Pension Plan

2015

How you and your pension help the economy

TRUSTEES' MESSAGE

Each and every month during your retirement, you've received a pension payment from the WorkSafeBC Pension Plan.

It is important you understand it was your and your employer's contributions, and the returns from investments these contributions generated, that built your pension. It is also important to understand the positive economic effects your pension has on the economy of British Columbia and Canada.

Here are three of the most compelling reasons your pension is good for the economy.

1 Retired plan members have increased spending power. The WorkSafeBC Pension Plan pays out almost \$38 million per year in pension payments to retired plan members like you.

Where, exactly, does that money go? As the vast majority of retired members live in BC, we know that much of your pension income ends up in BC communities. You support local businesses such as grocery stores, restaurants and retail stores, and purchase transportation, health and housing services.

In fact, *any time* you spend or use money, you're in part making use of your pension.

The trickle-down effect of your expenditures helps employment through a variety of sectors (everybody from grocery clerks to food servers to mechanics to taxi drivers) which in turn helps the economy.



Pension fund investments contribute billions to the economy.

The pension contributions you made when working are part of about \$1.6 billion the plan invests through its investment agent, the British Columbia Investment Management Corporation (bcIMC). Investments are diverse and include holdings in public equities, bonds, real estate, infrastructure and private equity (learn more about plan holdings in the *WorkSafeBC Pension Plan 2014 Annual Report*, available at worksafebc.pensionsbc.ca). These investments support large and small businesses throughout BC, Canada and the world.

According to the Conference Board of Canada 2013 study, *Economic Impact of BC's*

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Up with COLA

Retired members receive a two per cent cost-of-living adjustment January 1

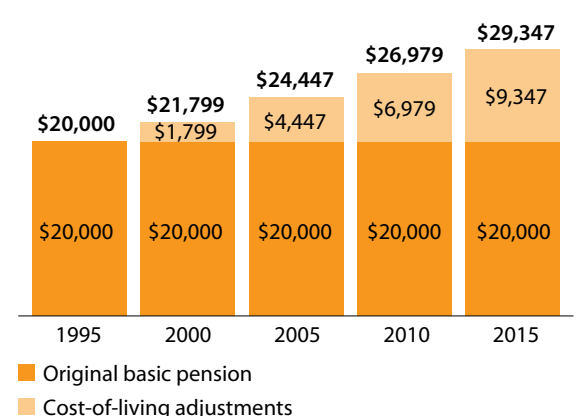
Effective January 1, 2015, all retired members of the WorkSafeBC Pension Plan (plan) received a two per cent cost-of-living adjustment (COLA). This amount matches the change in Canada's Consumer Price Index between September 2013 and September 2014. The actual dollar amount varies for each retired member, depending on the amount of the pension, and is reflected on your statement. If you retired part way through 2014, this inflation adjustment will be adjusted to match the number of months in 2014 that you received a pension.

It is important to remember the granting of COLAs is subject to sufficient funds being available. Future COLAs are not guaranteed but, once granted, becomes part of your guaranteed basic pension.

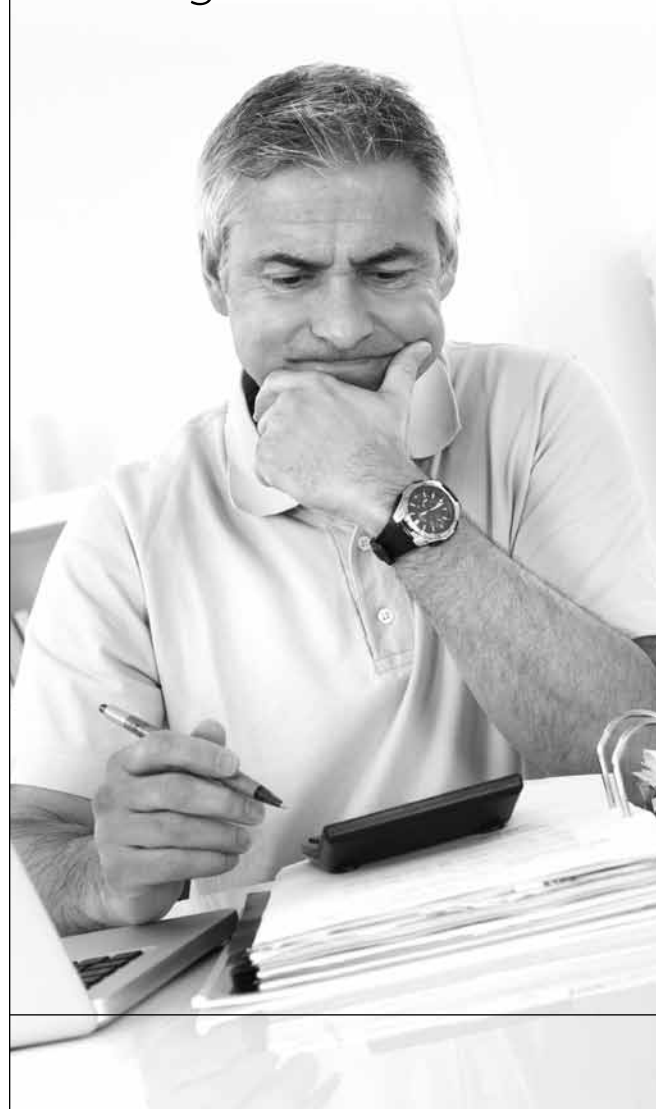
Inflation adjustments are valuable—they allow your pension to keep pace with the increases in cost of living over time.

As an example (see graph below), if you had retired in 1995 with an annual pension of \$20,000, by today your annual pension would be more than \$29,000. In this scenario, *without* COLAs, your annual pension would effectively be worth 32 per cent less in 2015 than in 1995. ■

Effect of cost-of-living adjustments 1995 to 2015



Feeling taxed this winter?



My Account can help.

My Account is an online service that lets you access your pension information when it suits you best. We've enhanced My Account to make it even more convenient. This tax season, you will have online access to a duplicate copy of your tax slip.

New to My Account?

Visit the Retired Member section at worksafebc.pensionsbc.ca > My Account and click Register Now to get started today.

My Account

FAST. CONVENIENT. SECURE.

How are we doing?

We want to hear your thoughts on how we are doing. That's why we've contracted Ipsos Reid to survey a random selection of retired members over the phone. Your participation in this survey is voluntary and all responses are kept confidential.

Have questions or comments about the survey? Email us at research@pensionsbc.ca. ■

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Public Sector Pension Plans, investments from the WorkSafeBC Pension Plan and other BC public sector plans are expected to contribute about \$65.6 billion (in 2012 dollars) to Canada's gross domestic product (GDP) between 2012 and 2035.

As part of that, in this same period, about \$8.1 billion of additional GDP (in 2012 dollars) is expected to be added to BC's economy.

Professionals are of course required to manage these huge investments: the Boston Consulting Group's 2013 study, *The Top 10: Investing for Canada on a World Stage*, showed that 10,000 financial and real estate professionals work throughout Canada to manage the funds of the 10 largest Canadian pension plans. Each of these professionals has a job, pays for food, housing and services and contributes to their own local economies because of the work they do for plans like the WorkSafeBC Pension Plan.

3 Your public sector pension plan makes many public services more affordable. Together, BC's public sector pension plans form one of the best-funded systems of public sector pension plans in Canada. International bond rating agencies cite BC's strong plans as a significant factor in supporting BC's triple-A credit rating.

What does a triple-A credit rating mean to you? It means that the government is able to borrow money and raise capital at extremely competitive interest rates, making the development of public services and infrastructure (everything from roads to hospitals to parks) more affordable for taxpayers.

These are just three of the many great reasons why your pension is great for the economy. If you hear criticism of public sector pension plans in the media or in the community, it's important you, as a member of the WorkSafeBC Pension Plan, share the fact that plans like yours enrich the lives of all British Columbians and Canadians. ■

2015 valuation moves to 2014



At least once every three years, the plan's actuary, a professional with specialized training in financial modelling, the laws of probability and risk management, assesses

the financial position of the plan, examining the plan's ability to pay all current and future pensions. The plan had a valuation in 2012, meaning the next valuation was required no later than 2015.

Earlier this year, the WorkSafeBC Pension Plan trustees asked the actuary to conduct a valuation of the plan as at March 31, 2014, rather than waiting until 2015.

Why did the valuation move up a year?

The last two valuations (2009 and 2012) took into account the effects of the extreme market

downturn of 2008 and 2009. In 2012, the plan had a strong surplus in its **going-concern valuation** (a measurement of the plan taking into account the projected lifetimes of all current members), but the plan's **solvency valuation** (a measurement of the plan taking into account the hypothetical event the plan was to shut down) showed a small deficit that WorkSafeBC, as the employer, addressed through a letter of credit.

A positive solvency valuation in 2014 could eliminate the need for that letter of credit and its associated interest costs, and result in significant cost savings. The trustees are cautiously optimistic that, due to the upward market trends since 2010, both valuation measurements will be positive.

Results of the valuation will soon be available at worksafebc.pensionsbc.ca. ■

Your tax slip is enclosed

We deduct income tax from your monthly pension payment according to Canada Revenue Agency (CRA) requirements. The amount we deduct is based on income you receive from the plan. Please keep the receipt to file with your tax returns. **Lost your tax slip?** Log on to My Account to download and print a duplicate copy. If you have questions about completing your tax return, please contact an accountant or call CRA at 1 800 959-8281. ■



Do you live outside of BC?

Here's what you need to know

If you live outside BC we may send you a *Pension Declaration* form. If you receive the form, you **must** sign it with a witness present. If we do not receive the completed declaration form within 90 days, your pension payment may be interrupted.

Why is this form important?

We require a signed *Pension Declaration* form to ensure we only pay eligible benefits and to safeguard the assets of the plan for all members.

How do I learn more?

If you have any questions about the *Pension Declaration* form, email pbp@pensionsbc.ca or call 1 800 663-8823. ■



WorkSafeBC 2015 events

WorkSafeBC is proud to present and participate in various activities throughout the year.

Here are some of the upcoming events in 2014 that many of you ask about.

- ◆ **Day of Mourning**—April 28, 2015. Among the different locations, there will be ceremonies at the Richmond Complex Atrium and at Jack Poole Plaza in Vancouver (times to be determined).
- ◆ **Health & Wellness and Sustainability Fair**—October 2015. At the Richmond Complex. Booths will be set up to showcase various services that will enhance your personal well-being. The Retiree Association will be on hand as well.
- ◆ **Book Fair**—November 2015. The fair runs for two days at the Richmond Complex Atrium.

To confirm dates or ask about a specific event, call our reception desk in Central Human Resources. They can be reached weekdays at 604 276-3009, 8:30 a.m. to 4:30 p.m. If you'd like to attend an event please provide your name and the date you will be visiting—we require a list of visitor names for each event. ■

How to Contact Us

Mail WorkSafeBC Pension Services
PO Box 9460
Victoria BC V8W 9V8

Phone 8:00 a.m. to 4:30 p.m. (Monday to Friday)
Victoria 250 356-9669
Toll-free (Canada & U.S.) 1 866 322-9277

Fax 250 953-0431

Email retired@pensionsbc.ca

Comments about all articles can be sent to the *After Work* editor at AfterWork@pensionsbc.ca.

After Work is published annually. You may receive more than one copy if you receive a pension from more than one pension plan. Read your statement letter to determine which plan provides your group benefits.

WORK SAFE BC

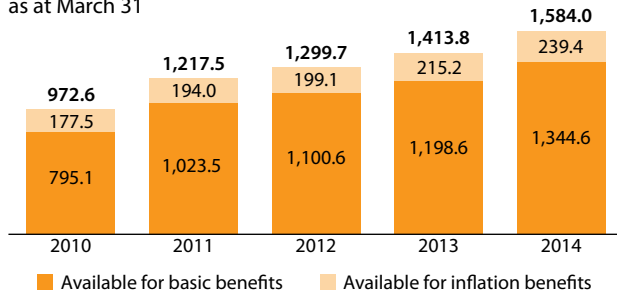
Report on the plan

A major responsibility of the trustees is to oversee the financial health of the plan. Our goal is to achieve long-term performance by following sound investment principles that direct the fund managers to invest prudently in entities with high standards of corporate governance and environmental and social practices.

For a listing of WorkSafeBC Pension Plan's financial holdings please see the *WorkSafeBC Pension Plan 2014 Annual Report* available under Publications on the web at worksafebc.pensionsbc.ca.

Net assets available for benefits

(\$ Millions)
as at March 31

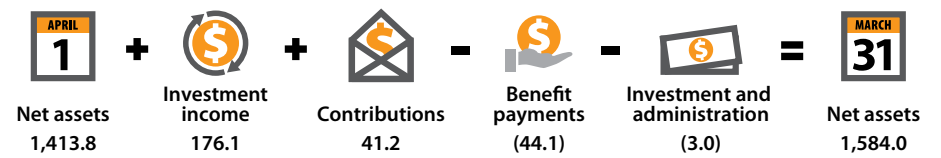


How the plan's investments perform

	Performance benchmarks* 2014	Actual as at March 31	
		2014	2013
Market value (\$ millions)		\$1,583.3	\$1,419.0
Market value rates of return			
Annual	10.5%	12.3%	8.6%
Five-year annualized	9.2%	10.3%	5.2%

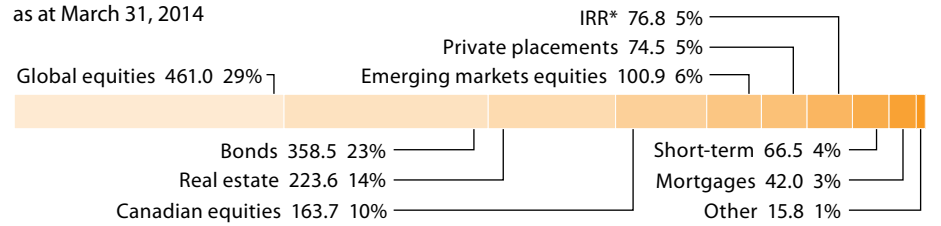
* Benchmarks are standards to compare against actual investment returns.

Financial highlights (\$ Millions) for the year ended March 31, 2014



Investment holdings (market value)

(\$ Millions)
as at March 31, 2014



* Infrastructure and renewable resources

Investment asset mix and performance

as at March 31, 2014

(All values %)	Approved range	Actual asset mix value	Rate of return	Performance benchmark
Fixed income	28-48	29.6	0.6	0.3
Equities	23-48	45.8	21.7	22.2
Real estate	10-20	14.1	6.9	5.5
Private placements	0-12	4.7	25.8	33.0
Infrastructure & renewable resources	0-12	4.8	12.7	8.0
Other ¹	0-5	1.0	— ²	— ²
Asset mix total		100.0	12.3	10.5

1 Includes strategies and investments specifically approved by the trustees that do not correspond to the listed asset classes.
2 The plan began investing in "other" assets in October of 2013. As a result annual rates of return are not available for this asset class.

Join WorkSafeBC in parades

Each year WorkSafeBC participates in several parades, reaching more than 700,000 people with our health and safety message.

- ◆ Celtic/St Patrick's Day Parade, Downtown Vancouver, March 15, 2015
- ◆ Steveston Salmon Festival Parade, Village of Steveston, July 1, 2015
- ◆ Pride Parade, Downtown Vancouver, August 2, 2015
- ◆ Rogers Santa Claus Parade, Downtown Vancouver, December 6, 2015

For more information or to volunteer, contact Nancy Wegman at 604 214-5459 or ERSVP@worksafebc.com. ■

HERE COMES YOUR PAYMENT

Your pension payment is deposited directly to your bank account on the second to last banking day of each month, except in December, when we deposit the payment two banking days before Christmas.

If you live outside of Canada, your payment is processed on the same schedule, but we cannot guarantee payment arrival dates. You can review these dates throughout the year by visiting the Information section of the Retired Member webpage at worksafebc.pensionsbc.ca.

January 29
February 26
March 30
April 29
May 28
June 29
July 30
August 28
September 29
October 29
November 27
December 23

When to contact us

MOVING?

Don't risk having your pension suspended. Let us know.

For your security, we will stop your payment if Canada Post returns your mail to us three times.

RETURN TO WORK

Let us know if you return to work for WorkSafeBC. There are important deadlines to meet.

SEPARATION OR DIVORCE

Contact us if you are going through a separation or divorce.

TAX INFORMATION

Contact us for more information about your tax deductions or tax slip. You can also log in to My Account to view your tax slip online.

BENEFICIARIES

Contact us if your spouse or beneficiary passes away.

Need to change your beneficiary?

See the *Change of Beneficiary* form under Forms on our website.

Email, call, fax or send us your questions through My Account.

See page 2 for contact information.

WCB Retirees Association

Founded in 1982, the WCB Retirees Association was established for former WorkSafeBC employees to "maintain the friendships created" while working at WorkSafeBC.

Currently, the association has several hundred members and is involved in many events through the year.

To join, email info@wcbra.com or visit wcbra.com.

wcbra.com

Have you registered for Fair PharmaCare?

Today is a great day to get started.

Fair PharmaCare provides financial assistance to BC residents for eligible prescription drugs and certain medical supplies.

You must be registered under the Fair PharmaCare program to receive full reimbursement for your prescription drug expenses from your retiree extended health care plan.

Register for Fair PharmaCare online at health.gov.bc.ca/pharmacare or phone 1 800 663-7100. If you have questions about how these programs coordinate with the prescription drug coverage under your EHC plan, contact Pacific Blue Cross (PBC) at 604 419-2600 or toll-free at 1 888 275-4672 if you live outside the Lower Mainland. ■



Helpful contacts

Whether you have questions about government programs or simply want to learn how to live a healthier lifestyle, the following list can help.

For a complete list of contacts, see the *Welcome to Retirement* booklet under Publications on the Retired Member section of our website at worksafebc.pensionsbc.ca.

Canada Pension Plan (CPP), Old Age Security (OAS) and Guaranteed Income Supplement (GIS) // servicecanada.gc.ca

Phone: 1 800 277-9914 TTY: 1 800 255-4786

Canada Benefits // canadabenefits.gc.ca

Canada Benefits provides an overview of all government benefit programs and services for individuals.

Phone: 1 800 622-6232 TTY: 1 800 926-9105

Medical Services Plan (MSP) // health.gov.bc.ca/msp

MSP pays for medically required services.

All BC residents must enroll with MSP.

Phone: 1 800 663-7100

SeniorsBC // seniorsbc.ca

SeniorsBC provides a number of resources and tips for planning and living a healthy life.

Phone: 1 877 952-3181

Physical Activity Line (PAL) // physicalactivityline.com

PAL is a free service that connects you with health professionals and community health and fitness programs.

Phone: 1 877 725-1149



Advice Centre

The Advice Centre is an ever-expanding library of videos, articles and information sheets on how benefits work and ways you can get the most out of your benefits plan. Find straightforward answers to questions about public and private health insurance in language that is easy to understand. Go to pac.bluecross.ca.

Health and vision providers can now bill Pacific Blue Cross directly

Many health and vision providers can now bill Pacific Blue Cross directly for eligible expenses. You pay only the balance not covered and there is no need for you to submit receipts for reimbursement.

Eligible providers include:

- Vision care providers (optical stores/optometrists/ophthalmologists)
- Acupuncturists
- Chiropractors
- Physiotherapists
- Massage therapists
- Podiatrists
- Naturopaths
- Psychologists

Health and vision providers must register with Pacific Blue Cross in order to bill directly. The next time you visit one of these providers, ask if direct billing is available. Providers can visit pac.bluecross.ca/providernet for information on how to register.

For residents outside of BC, please submit your claim at bluecross.ca/members.

Blue Advantage Discount Program

There's an advantage to having a Blue Cross card in your wallet!

The Blue Advantage program helps you to save on medical, vision care and many other products and services offered

by participating providers across Canada. Savings are found at point of sale on the total cost of products and services, regardless if the item is covered under your benefits plan.



You simply present your Blue Cross identification card to a participating provider and mention the Blue Advantage Program. Go to blueadvantage.ca for the list of participating providers.

Stay healthy this flu season

In flu season, it's important to protect ourselves from exposure to influenza viruses. It is estimated that 2,000 to 8,000 Canadians die from flu or complications from flu each year. People at higher risk for flu complications include infants, seniors, pregnant women and people with chronic medical conditions (such as asthma, heart disease or diabetes).

Symptoms of flu can include fever, chills, cough or sore throat, runny nose, body aches, headaches, tiredness, diarrhea and vomiting.

Cold and flu viruses are spread when people come into contact with airborne droplets or surfaces containing flu virus from an infected person. Flu viruses can live up to 48 hours on hard surfaces. On clothing or other soft surfaces, these 'germs' can live for 8 to 10 hours.

To avoid spreading the flu:

- Wash your hands often
- Disinfect work spaces
- Cover up your cough or sneeze into your arm
- Stay at home when sick
- Get an annual flu shot

People develop symptoms of flu from one to four days after being infected. They can be contagious from the day before symptoms appear until at least five to seven days after symptoms start.

WAYS TO AVOID SPREADING THE FLU

