Plumbing and Pipefitting Workers Local 170
Welfare and Pension Plan

Lisa Peterse, Administrator

April 03, 2020

Dear Pension Plan Members,

A MESSAGE FROM THE PLUMBING & PIPEFITTING WORKERS LOCAL 170 PENSION PLAN BOARD OF TRUSTEES

Although the past few weeks have brought a lot of uncertainty into our lives, the Trustees of your Pension Plan would like to assure you that your pensions continue to be secure and are managed in a manner that protects your benefits.

At the last valuation of the Plan on September 30, 2018, the Plan had a funded ratio of 107%. In September 2019, the funded position was estimated to be around 115%. That means that for every $100 of pensions owed to members, the Plan saved $115. This means the Plan has more assets than it needs to pay pensions. This surplus or buffer is in place to help manage the Plan through times of market uncertainty, such as the one we are now going through.

In addition to this buffer, the Plan's investments are structured to help ensure that your pensions are protected during times of market turmoil. The Plan has taken steps to ensure it holds a majority of its investments in long-term bonds secured by federal and provincial governments, and financially strong Canadian corporations. The Plan also invests a portion of assets in real estate and infrastructure assets. The consistently stable returns of bonds, real estate, and infrastructure help protect pensions in this time of uncertainty.

In contrast, only 25% of the Plan is invested in the stock market. Additionally, these investments of the Plan are generally invested in large Canadian and Global corporations with stable businesses.

Overall, the impact on the Plan from current market turmoil has been limited and the Plan is expected to remain financially strong through this market turmoil.

Wishing you the best of health.

Yours truly,

Al D. Phillips, Chair

Pension Board of Trustees
Gerry Forcier
Tom McKinley
A.D. Al Phillips
Jim Stewart
Bryan Stocking
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