

CAAT Welcomes Vancouver-based Not-for-profit SHARE

BY: **DEREK DOBSON**

The CAAT Plan opened its doors to employers outside the Ontario college sector about 2½ years ago. New employers include the Royal Ontario Museum (ROM), Youth Services Bureau of Ottawa, and Torstar Corporation.

SHARE, the Shareholder Association for Research and Education, becomes the first employer to join CAAT with primary operations outside Ontario. SHARE has employees from the not-for-profit sector with its primary operation in Vancouver, BC, and an office in Toronto, ON.

It is a leader in responsible investment services, research, and education, working with institutional investors to help them develop and implement responsible investment policies and practices, so understandably they took great care with a rigorous due diligence process. They chose CAAT.

Robust Selection

After that careful and robust selection process, SHARE provided an opportunity for its employees, represented by the United Steelworkers, to vote for what was best for them and CAAT received unanimous endorsement. They joined under the plan's DBplus design, effective January 1. The new members and employer each contribute five per cent of pay and there is a provision to accommodate individual employees with an optional gradual contribution phase-in period.

SHARE met CAAT's application criteria and satisfied the due diligence process. The CAAT Plan Board of

Trustees and Sponsors' Committee evaluates every prospective employer against the principles it has set. Those principles say that any type of membership growth must be mutually beneficial. For the CAAT Plan, growing and diversifying the membership makes the plan stronger and more secure.

SHARE was contributing five per cent of their employee's pay to a group RRSP. By joining CAAT, the employer is contributing the same amount, but providing employees with a predictable, secure lifetime pension without the challenges and costs of running a traditional Defined Benefit



DBplus

pension plan. It is a more efficient and less stressful way to generate income in retirement for both employees and employers.

A recent study by Common Wealth, HOOPP, and National Institute on Ageing, 'The Value of a Good Pension,' quantifies the efficiency of retirement savings programs. The study shows that a dollar contributed to a typical individual retirement savings program, such as a group RRSP, will generate about \$1.70 in retirement income, while a Canada-model pension plan, such as CAAT, will yield \$5.32.

High Endorsements

Canadians want sustainable, lifetime pensions, while employers want cost certainty and valuable benefits that attract and retain employees. In addition to a secure lifetime pension, the features of DBplus include inflation enhancements during retirement, a survivor pension

at no additional cost, and fixed contribution rates for members and employers. These CAAT Pension Plan features receive extremely high endorsement levels from employees, unions, CFOs, CHROs, CEOs and boards.

DBplus is available to all organizations with employees in Canada.

Earlier this year, Postmedia Network Inc. and Canadian Press Enterprises entered into agreements to merge their pension plans with CAAT. Subject to necessary consent from their plan members, the mergers would be effective July 1, 2019. The mergers are also subject to review by the pension regulators. In total, about 4,000 new members would join CAAT.

As at January 1, 2019, the CAAT Plan is 120 per cent funded on a going-concern basis with \$10.8 billion in net assets available for the benefits of 50,000 members. It has 50 participating employers.

The CAAT Plan's '2018 Annual Report' will be available at the end of April.

BPM



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Coming In May

**GROUP BENEFITS
Directory**

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