

Branch level, the Branch Policy and Governance Committee and the Branch Board also invested significant time and effort in evaluating the potential impacts of the proposed new governance structure on the Branch.

At the National Annual General Meeting, the membership approved the proposed organizational framework of a new governance model and next year's Annual General Meeting will hopefully see the approval of official new By-Laws putting the new Governance structure in place. One of the most important changes for the Ottawa Branch is the recognition of the Ottawa Branch with its 33,000 members as a separate District. This will be one of 6 geographic Districts across Canada representing all 185,000 FSNA members. Each District will be represented by 2 Directors elected at the National Annual Members Meeting (AMM). More work will be required in the coming months to develop the working relationship around these changes.

One consequence however, and another change, was that Fed Lyle was invited to put his name forward for National Office as National Director from Ontario. In Fred's case it was to replace the National Director who had unexpectedly resigned. Fred was elected but this unfortunately led to his resignation as Branch President as the national rules are that a person cannot occupy two elected positions at the same time. The consequential changes from this have been that your Board elected me as President, with

Rebecca Belanger replacing me as Vice-President. Another major change has been the effort involved with the Honour Your Promise campaign. I will not go over the details of this, which I am sure most of you are familiar with. Suffice it to say that as a Branch you, our members, along with your Board have all been active in getting our message across to the political level. This has involved all your letters, the Petition and a number of meetings with political representatives of all political parties. FSNA will continue to advocate for our pensions and benefits whenever, however and wherever required.

In closing, I would like to take the opportunity to thank my fellow Board members, a group of talented individuals who really make it fun to do what we do. I would also like to thank Camille Guerin and Mary-Ann Zwicker our staff who regularly keep me "out of jail," and last but not least, I would like to thank every one of our members who volunteer to help with the running of the Branch.

Steve Troy

President, FSNA Ottawa Branch

PUBLIC AND PRIVATE RESPONSIBILITY FOR OUR RETIREMENT

As members of the National Association of Federal Retirees, our pension is the most common element that unites us after a career with the Federal Public Service. Word is out that the

Conservative government may have ideas, even legislative proposals, to increase our contribution to the cost of our health care. We have also heard for a while of the government's desire to change the basis of the public service pension to a "Defined Contribution Plan" rather than the current "Defined Benefit Plan."

This is proposed in the name of making the public servant, whether active or retiree; share in retirement the same spare benefits as those in the private sector. That this might cost the government less to look after its responsibilities is an unspoken side benefit. This proposal is made despite there being none of the financial or non-financial incentives or remunerations enjoyed by our private sector counterparts during their working lives. We accepted the decade's long tacit agreement - lower pay and no profit sharing, etc during our working years in exchange for a (slightly) more comfortable and (slightly) more secure retirement. As the current FSNA campaign says: "Honour Your Promises!"

Grumble as we might - and as we definitely should - and act about double talk and double dealing, we should also be prepared to deal with the consequences of the non-negotiable, imposed, unfair change to our retirement conditions. In other words, we must make financial provision to ensure that there is some way to cover the extra costs of the increased charges that seem to be coming

our way. We need to save more from our pension's rapidly diminishing purchasing power, to provide for future years.

Many commentators are not optimistic about higher rates of return in the near to medium term future. The world may be entering a long period of slow or no growth, or a period of technological shift where there will be more 'losing' industries than 'winning' ones, as we deal with world-wide effects of climate change and rapid if uneven economic growth in Asia/Europe/America. Even the importance of petroleum in the world economy is changing, and the inklings of a US-Iran rapprochement can have totally unexpected consequences for many world players, not the least a "Petro-power" like Canada. Cheap oil is not painful for inexpensive producers (Saudi Arabia, Iran) but can lead to economic chaos for mono-economies (Russia, Nigeria, Venezuela) or expensive producers like Canada. Dark days ahead? Possibly.

Our grandparents kept some money aside 'for a rainy day.' These days putting savings in a sock under the bed is about as profitable as leaving it in a savings account or a Guaranteed Investment Certificate. Finding reputable ways to make your money work while you try to 'enjoy' retirement is a job more easily shared with a financial advisor.

A person with appropriate qualifications (CFA, CFP, PFP etc.)

and a word of mouth reputation from trusted friends or family is a good way to start. Ask many questions to make sure that you understand what motivates this person, how they get paid for helping you, and what happens if things don't work out as planned. Defining clear and realistic goals and expectations is a key step in creating an investment plan. Start small, and let your investment grow, but meet with your advisor as needed to review how things are going, and to make changes.

Most financial advisers are paid on a commission basis. Small investors are not welcome in some banks and investment houses, because developing an investment plan for \$5,000 or \$50,000 takes almost as much time as for \$500,000+, but earns the advisor and the banks much less. Look instead for a fee-based advisor. Or even better, a salaried advisor, whose advice is not affected by the choice of funds, their 'trailer' fees or commissions, or the amount of your investment.

As part of the GCWCC campaign, Tradex will donate to the GCWCC on an ongoing basis, 5% of any new Registered Education Savings Plan (RESP) contributions or transfers. A tax receipt for the donated amount is issued in the contributor's name. Full details at www.tradex.ca. During the last two years through this charitable offer, Tradex has contributed \$16,000 to the GCWCC.

Note: *The facts and opinions*

expressed in this article are those of the author, Robert Todd; they should not be understood to necessarily reflect the policy or opinion of the FSNA Ottawa Branch.

Robert Todd is an FSNA member and a Director of Tradex, an Ottawa-based Member of the Mutual Fund Dealers Association of Canada. Tradex services are available exclusively to current and retired public sector employees

MARK YOUR CALENDARS!

ANNUAL GENERAL MEETING

Tuesday, April 29, 2014

**RA Centre
2451 Riverside Drive
(Clark Memorial Hall)**

9:30 a.m. – 12:30 p.m.

**BOARD OF DIRECTORS
ELECTION**

**VOLUNTEER OF THE YEAR
AWARD**

MEETING HIGHLIGHT

**“What is Available in the
Investment World”**

Presented by:

Camille Guérin FCPA, FCA