

January 2013 Pension Increase

An important benefit of your Plan is that pensions are indexed. Pensions are subject to increase each January. The increase for January 2013 will be 1.2%. Members who received their pension for the full 12 months in 2012 receive this increase. Those who started their pension part way through 2012, receive a partial increase.



Your annual pension increase is based on the change in the Canadian Consumer Price Index. The index is measured each September. The pension increase is normally subject to a 3% maximum.

Different pension plans may measure changes in the Consumer Price Index in different ways. This can cause year to year differences between pension plans in the amount of pension increase that is granted. A comparison of how increases from several major public sector pension plans have compared over the last five years is at www.nsahopensionplan.ca (click on "I'M A PENSIONER" and scroll down).

What's behind our new name?

In June our name changed to Nova Scotia Health Employees' Pension Plan (NSHEPP). Our new name reflects a significant change in the governance of your pension plan.

Governance responsibility for your pension plan is now shared equally between four Trustees selected by the major unions:

Jim Mott (CAW)
Wayne Thomas (CUPE)
Bruce Thomson (NSGEU)
Janet Hazelton (NSNU)

and four Trustees selected by the Health Association Nova Scotia (HANS):

Rakesh Minocha
Blaise MacNeil
Joe Haverstock
Mary Lee

While union nominees have been on your Board of Trustees for years, June 4th was the first time that they held 50% of the Trustee seats.

Some of the Board of Trustees' decisions have always been subject to a second Board's approval. In the past this second Board has been the HANS Board. Under our new governance structure, this second Board has equal representation from HANS and the major unions.

Contact us:

**Nova Scotia Health Employees' Pension Plan,
 2 Dartmouth Road, Bedford, NS B4A 2K7**

(902) 832-8500 (local call in the Metro Halifax area) • **1-866-400-4400** (Toll Free)

(902) 832-8506 (Fax)

e-mail: pensionplan@nsaho.ns.ca

These changes are the result of several years of review by a joint union-management committee and the HANS Board. This review was undertaken as agreed to in a Memorandum of Agreement that was signed in October 2006 between the pension plan's major participating employers and unions.

Even though the structure of your Board of Trustees changed on June 4th, your Trustees have a great deal of pension governance experience. All of them served on your Board of Trustees prior to June 4th. In combination they have served as your Trustees for 53 years.

Then and Now

NSHEPP has experienced remarkable growth over the last 10 years. This has resulted from two things:

1. Growth in membership: A large portion of this growth is from new employers joining NSHEPP. Most of the province's nursing homes and a growing portion of the home care support providers now participate in NSHEPP.
2. Investment returns: Investment returns in recent years have been very positive, averaging 10.8% per year net of expenses over the past decade (to the end of September).

The impact of this growth can be seen in the following table.

	10 years ago	Today
Members	20,052	35,768
Employers	34	88
Assets	\$1.2 billion	\$4.2 billion
Total annual contributions	\$56 million	\$208 million
Pensions paid annually	\$34.9 million	\$109 million

There is a practical benefit to you of NSHEPP's growth. With increasing size comes increased administrative and investment efficiency, improving the value we are able to deliver.



Annual Summary

In March 2013 we will publish our annual summary of key activities of NSHEPP's Trustees and staff.

This summary and other plan documents can be found in the "Publications" section of www.nsahopensionplan.ca.

If you would like to receive a copy of the annual summary by mail, you can telephone us. Our number is at the bottom of the reverse side of this newsletter.