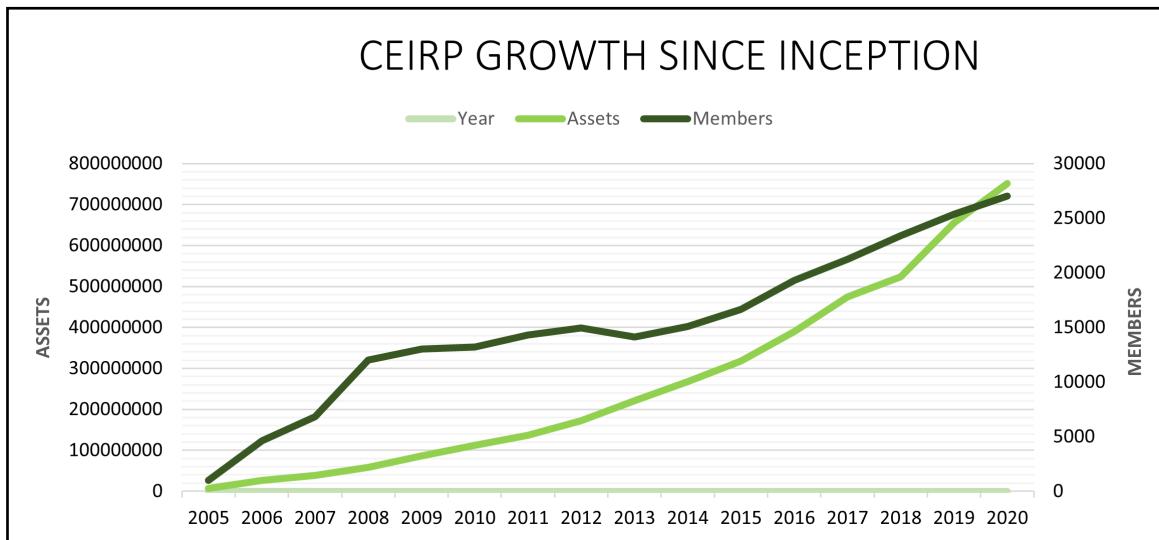




## 2020 Stakeholder Report

prepared for the IATSE, the DGC, Entertainment Partners Canada Inc.,  
Actsafe Safety Association, and the office of the BC Council of Film Unions

### Plan Asset and Member Growth



CEIRP membership and total assets continued to grow in 2020, despite the pandemic. As of December 31, 2020, there are 27,036 members enrolled with over \$751 million in assets, most of which is allocated to registered retirement savings.

### PLAN ASSET AND MEMBER GROWTH

	Assets	Members
<b>12/31/2020</b>	<b>\$750,577,163.71</b>	<b>27,036</b>
12/31/2019	\$655,080,519.91	25,348
<b>Difference</b>	<b>\$95,496,643.80</b>	<b>1688</b>
<b>% Growth</b>	<b>14.58%</b>	<b>6.7%</b>

### Annual Contributions

2016	2017	2018	2019	2020
\$76,605,993	\$92,209,736	\$103,553,587	\$115,034,749	\$87,085,600

(New contributions only. Not including funds transferred in from existing plans.)

## 2020 in Review

The new decade began with a great deal of upheaval. By March, the pandemic was declared and the world shut down. The markets reacted to the shock with a drop in value not seen since the 2008 financial crisis. With the CEIRP staff and the Retirement Committee members working from home, the decision was made to have monthly videoconferences with our advisors at Canada Life and Aptus to closely monitor our Plan's performance.

Canada Life also increased its communication with the Retirement Committee by providing more frequent updates on market volatility and its impact on fund performance. They chose to stay the course by only rebalancing when necessary, which was a sound strategy since the Portfolio and Cadence funds are less volatile by virtue of their diversified nature. These funds were also able to better withstand the pandemic-related fluctuations than the broader markets and competitors.

Plan members invested in the Conservative Portfolio, near-dated Cadence Target Date funds and the SRI Balanced had a strong preservation of capital during the first quarter of 2020. The Aggressive Portfolio and longer-dated Target Date Funds, which have more equity exposure, also managed well especially during the difficult period in late February through late March.

To help ease members' concerns about the market volatility and the security of their investments, Canada Life made the following changes:

- Opened the call centre on Saturdays to make it easier to receive account assistance by a representative
- Added new technology at its call centre to enable better plan member service
- Kept members informed through direct email communications, webinars, COVID updates and well-being webinars



### GLIDE PATH CHANGES

CEIRP always aims to make retirement saving easy for our members. With simplicity in mind, the plan offers three investment style options:

- **No Touch** featuring the *Cadence Target Date Funds*, which offer a single-fund solution that leaves the decisions to investment professionals.
- **Low Touch** featuring the *Portfolio Target Risk Funds*, which are tailored to different levels of risk tolerance that range from conservative to aggressive.
- **More Hands On:** Once a member determines their investor profile from the *Plan Your Retirement* tool on GRS Access or the *Investment Personality questionnaire*, they can build their own portfolio from the investment options offered in the plan.

### Some Changes are Coming

- 1) **The Cadence Target Date Funds** use a *Glide Path strategy*, which is a tool that automatically adjusts a fund's portfolio holdings as a plan member ages. After an extensive review of the existing strategy, Canada Life's Portfolio Solutions Group has decided to update it by modernizing its market and investor behavior assumptions. The Glide Path is being enhanced so that it will contain a little more stock (*equity*) at the beginning of a member's career and then a reduction of stock at the end of their career.

## Glide Path Changes Cont'd.

### For example:

- At the beginning of a member's career, based on their age when they join the plan, the fund portfolio is designed to encourage growth so it will contain more stocks.
- As the member approaches retirement age, the portfolio is adjusted to encourage more conservative growth by adding more fixed income products like bonds and mortgage products, and by reducing its stock holdings.
- The ultimate goal is to ensure that the member achieves the best investment returns.

2) **The Portfolio Target Risk Funds** will add more diversification by increasing equities (with a focus on foreign equities) to the Conservative and Moderate Target Risk funds. The goal is to enhance growth opportunities while managing risk in the portfolios. A number of new investment managers, renowned for their best-in-class expertise and insight, will be added to the portfolio to ensure it is well diversified. These changes will be implemented by the end of February 2021. The SRI Balanced Fund will not be affected.

### What's Does This Mean for members?

- Enhanced growth and risk management to maximize the long-term investment returns
- Continued active management by a focused and experienced team, Portfolio Solutions Group, a division of Canada Life.
- Members who are invested in a *Portfolio Target Risk Fund* may want to review their risk tolerance with the [Investment personality questionnaire](#) to make sure their investment choices still match their risk profile. Otherwise, they may choose to make adjustments to their fund selection.

### Staying Informed

Members will receive more information in the fourth -quarter fund reports, which will be available online in mid-February 2021. Members are encouraged to review their investments to ensure they align with their investment goals, by accessing their Canada Life online account, or by calling 1-800-724-3402, Monday to Friday from 8 a.m. to 8 p.m. ET.

## CEIRP Update

Despite the Covid-19 pandemic and lockdowns, the CEIRP team continues to work from home. Here are some key highlights from the past year:

**Canada Life Amalgamation:** On January 1, 2020, the Great-West Life Assurance Company, London Life Insurance Company, the Canada Life Assurance Company and two holding companies amalgamated. They are now one company: The Canada Life Assurance Company™.

**The 2020 Administrators Meeting**, which normally would take place in-person, was cancelled due to the pandemic. Meetings will now be held virtually and more frequently until face-to-face meetings are able to resume.

**CEIRP supports the important work of the AFC** and always encourages plan members to contact the AFC whenever they are facing financial difficulties. Over the past year, this support was bolstered with an increased donation of \$70,000. The AFC's mission doesn't stop at providing emergency financial aid; they also have a number of programs and workshops to assist the creative community navigate a career that can be tough at the best of times.

**CEIRP welcomed a new addition to the IATSE family, Local ADC659 Associated Designers of Canada**, who brought 200 new members to the plan.

**New way for members to sign in to access their accounts:** Plan members are now being redirected to a new sign-in page MyCanadaLifeAtWork.com to access their group retirement savings plan. All members sign on using their current Access ID and password. Canada Life has provided a Q&A to help navigate this new system, including their technical support line, which is 1-888-222-0775, in case members need extra help.



## CEIRP News Cont'd.

### Reminder about Updating Members' Personal Information:

**Information:** To maintain personal privacy and security it's important for members to update their personal information, including email address, by accessing their account online or by calling 1-800-724-3402. Alternatively, members may provide their written authorization to their local/guild administrator to update their information on their behalf.

**Email Lobby Campaign:** In April, the CEIRP, the IATSE and the DGC lobbied the Federal government to ask that they institute a temporary emergency program, similar to the Home Buyers and Lifelong Learning plans, that would allow an individual to "borrow" from their RRSP with no tax implications. There has been no announcement made as yet by the Department of Finance, but they are demonstrating that they are considering the proposal. However, their combined lobbying efforts has brought a great deal of awareness about self-employed and Gig-Economy workers. Recently the Prime Minister issued a new [Mandate Letter to all Ministers](#), in which he requested that the Employment Minister Carla Qualtrough adjust the Canada Recovery Benefit and modernize the EI program.

**The CEIRP Team is Growing:** We have a new member of the CEIRP team! Sarah Twomey joined us at the end of June as our Communications and Education Specialist. As a professional communicator with expertise in the financial industry, Sarah is responsible for creating initiatives to help members understand the plan and help them improve their financial literacy. The monthly newsletter, website content management, CEIRP's bilingual social media pages and other communications activities fall under Sarah's mandate. Please encourage your members to follow CEIRP on [Facebook](#) and [Twitter](#). If you have any questions or specific financial topics you'd like covered for an upcoming newsletter, please contact Sarah at [Sarah@ceirp.ca](mailto:Sarah@ceirp.ca).

### Free Credit Counseling Support for Members:

In July, we posted [an article](#) on the CEIRP website homepage about free credit counseling support, sponsored by [Canada Life](#), for members who might be in need. Although it was to expire at the end of last September, the offer has been extended. It consists of a free consultation with a credit counselor from the [Credit Counseling Society](#). These counselors are knowledgeable about the different options to eliminate debt, including debt management programs, consolidated loans and consumer debt proposals. Please encourage your members to consider this support. They can call 1-888-527-8999 or 1-888-753-2227, if they reside in Quebec or the Maritimes.

## The State of Retirement Security In Canada

One of the biggest stress triggers for Canadians is personal finance. Counted within that pressure is retirement savings, particularly knowing how much is enough. According to a Mackenzie Investments [study](#), this problem stems from the fact that we are facing issues that didn't exist when our parents or grandparents were working:

- The relative decline of defined benefit pension plans
- Longer life expectancy
- Low yields; increasingly complex and volatile financial markets
- Higher costs of living, particularly housing and eldercare during retirement

Canadians are often advised to visualize life in retirement to help in setting their retirement savings goals. But this task can be daunting because there is no such thing as a cookie-cutter retirement. The Mackenzie report points out that having unrealistic expectations, like retiring before 65 or having a traveling lifestyle, is a major hurdle. In fact, a realistic retirement might consist of fifteen healthy years in one's home followed by six years in long-term care, which could cost up to \$50,000 a year. (Continued on Page 5)

Graphic Sourced at [SunLife](#)

FIG 5.1: AVERAGE AND MEDIAN YEARLY CONTRIBUTION



Average employee contribution levels experienced a modest increase over 2017.

Adding to the stress of retirement savings insecurity is the increase in “precarious” or “nonstandard” employment. Research conducted by [HOOPP](#) found that this type of work in Ontario has grown nearly twice as fast as standard employment in the previous two decades.

	Combined Contribution % of plans		Plan Sponsor Cont. Only % of plans		No Plan Sponsor Cont. % of plans	
Industry Sector	DCPP*	RRSP	DCPP*	RRSP	DCPP*	RRSP
Academic	95	43	5	1	0	55
Affiliations	92	65	7	3	1	32
Consumer Discretionary	87	49	12	2	1	49
Consumer Staples	82	38	16	2	1	57
Energy	64	70	36	3	0	25
Financials	84	50	16	2	0	47
Healthcare	88	47	9	2	0	50
Industrials	88	51	11	2	1	47
Technology	71	53	29	1	0	46
Materials	82	40	17	1	1	57
Professional Services	88	50	13	1	0	48
Public Service	98	47	3	0	0	50
Recreation	56	60	44	0	0	40
Telecom Services	83	63	0	0	0	37
Utilities	96	57	4	0	0	43
Other	94	50	6	0	0	50

Sourced from [Sunlife](#). In the table above, those with figures illustrated in the no plan sponsor contribution % of plans column, reflect DB Ancillary plans where only employee contributions are made. \*DCPP Defined Contribution Pension Plan

A solution to ease retirement insecurity is to encourage employers to be engaged in their employees’ retirement savings plan by way of regular payroll deductions. This arrangement is beneficial to both parties, especially if the contributions are locked in until retirement and if the employee continues to make contributions.

The HOOPP study also found that labour unions play an important role in helping their members save for retirement.

They suggest that:

- [When] a union’s members participate in a retirement arrangement, but the union is not a sponsor, union representatives can work with employers, within or outside of collective bargaining, to expand that plan’s coverage.
- Unions, whether on their own or in collaboration with other unions or non-union sponsors, can establish new collective retirement plans to reach parts of their membership or their sector of the economy that do not have coverage today

This research indicates a clear opportunity for CEIRP, participating employers and collective bargaining units to help eliminate retirement insecurity for members:

- ⇒ Underscore the importance of financial security during retirement when negotiating local/guild compensation and benefits
- ⇒ Foster a culture of financial literacy and retirement preparation education (accumulation, decumulation, tax considerations, etc.), in which information is presented in a non-judgemental, plain-language style that builds engagement, trust and security with members

## FUND REVIEW

### Gross Annualized Returns as at December 31, 2020

It is important to keep sight of long term goals to ride out market ups and downs. A diversified portfolio can help moderate the volatility of returns and better protect capital over the long term.

The Fund Review is updated monthly on [mycanadalifeatwork.com](http://mycanadalifeatwork.com).

Members can also log on to their account on [mycanadalifeatwork.com](http://mycanadalifeatwork.com) to view their own personal rate of return any time.

Fund Name	1 YR	3 YR	5 YR	10 YR
<b>Cadence (Target Date) Funds</b>				
Cadence Retirement	7.67	6.13	5.61	6.25
Cadence 2010 RF	7.95	6.22	5.66	6.26
Cadence 2015 RF	7.66	6.11	5.60	6.32
Cadence 2020	7.50	6.16	5.89	6.78
Cadence 2025	8.15	6.36	6.39	7.35
Cadence 2030	9.27	6.69	6.93	7.87
Cadence 2035	10.35	7.03	7.49	8.29
Cadence 2040	11.38	7.32	8.04	8.49
Cadence 2045	11.82	7.43	8.38	8.59
Cadence 2050	12.16	7.51	8.65	8.67
Cadence 2055	12.39	7.56	8.83	-
Cadence 2060	12.66	7.64	-	-
<b>Portfolio (Target Risk) Funds</b>				
Conservative Portfolio	7.40	5.68	5.21	6.00
Moderate Portfolio	7.63	6.02	5.74	6.72
Balanced Portfolio	7.61	5.82	6.43	7.37
Advanced Portfolio	9.81	6.53	7.69	8.27
Aggressive Portfolio	9.96	6.71	8.61	9.10
<b>Balanced Funds</b>				
SRI Balanced Fund	7.0	5.87	6.61	-

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