

ON GUARD

NATIONAL ASSOCIATION OF FEDERAL RETIREES NEWSLETTER



FSNA ANRF

The Ottawa Branch Report

OTTAWA BRANCH FALL MEETING

Tuesday, November 8, 2011

RA Centre

2451 Riverside Drive

(Clark Memorial Hall)

9:30 a.m. – 12:00 p.m.

THE PRESIDENT'S REPORT



Robert (Bob) Richer
President
FSNA Ottawa Branch

INSIDE THIS REPORT

- The President's Report
- Ottawa Branch Fall Meeting

Other Highlights

- Membership Survey Results
- Protecting Your Savings in a Time of Rising Interest Rates

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A very successful Annual General Meeting was held on 19 April. The featured speaker was Dr. Roseanne Runte, President of Carleton University, who gave a most interesting talk about continuing education and its role as we age. Our website has been updated with links to all the major educational institutions so you can easily access the courses and services available to seniors.

The results of our survey to members, which was initiated in March this year, have now been tabulated and analyzed. More information about the survey is included in this issue in a report from the Chair of the Membership and Services Committee. Thank you to all those on the Committee and to the Chair, Paddy Marsden-Dole, for all of the work they did on developing the survey, making it available to our members in both electronic and hard-copy format, and analyzing and compiling the data.

We are pleased to report that David Jones, who joined the Ottawa Board last year, has now been elected to serve on the National Board as the National Director for Ontario. While we regret losing his expertise on our board we are very pleased that his commitment to FSNA has led him to participate at the national level in the growth of the Association.

The Branch's Strategic Plan is now on our website and the Board is continuing to identify and prioritize the work required for its implementation. With the additional information from the Members' Survey now compiled, Board meetings were held in July and September to finalize work plans for 2011-2012. These committee work plans provide the framework and the specific actions required to accomplish our strategic goals. It is our hope that small projects can be developed that will be of short duration and therefore perhaps more attractive to members who might wish to consider volunteering for one of our committees

or projects. If you have not yet given us your email address you might consider doing so now as it is through our emails to members that we will put out descriptions of projects and ask for volunteers.

As you are aware from this issue of ON GUARD, the Association's Annual General Meeting (formerly known as the national Congress) took place in Ottawa June 27-28. Prior to the AGM sessions, two other meetings were held. One dealt with the ongoing development of a Strategic Plan for the National Association, and the other was a meeting of the Presidents of the 22 Ontario Branches. The session on the Strategic Plan provided the 84 Branch Presidents from across the country with the opportunity to discuss, provide feedback, and recommend priorities to the National Board of Directors on the development of the Strategic Plan to be implemented for 2012-2017.

Over the last couple of years there has been a growing interest in finding ways for the 22 Ontario Presidents to share information across branches and to discuss issues that are particular to our members. The Ontario Presidents Meeting, which was held one day prior to AGM, provides an ideal opportunity to coordinate such a session for our large group and to identify issues and exchange information. From this meeting there are now plans being made for the Ontario Presidents to meet again in the early winter of 2012.

While I attended as President of the Ottawa Branch, I was ably assisted at

the meetings by Fred Lyle (Vice-President and Chair of the Policy and Governance Committee) and Greville Price (Past President). Thanks to Fred Lyle and his committee for all of the work they did in analyzing and making recommendations regarding the resolutions to be tabled at the Congress. The main topic at the Congress was the impact on the national Association of the impending implementation of The Canada Not for Profit Corporations Act (C-4). This Act will require that the national Association review its bylaws and administrative procedures to ensure that they are in compliance with the new legislation. Associations have three years to accomplish this review and make the necessary changes.

Our General Meeting on **Tuesday, November 8** promises to be very interesting. Our featured speaker will be **Mayor Jim Watson**. In addition we are pleased to have Grete Hale as our second speaker. The Mayor will be speaking to issues the city continues to address as it considers the requirements of ageing population. **Grete Hale** will provide an entertaining and enjoyable series of reflections on her life and times in Ottawa. Additional information about our speaker's topics can be found in this issue. I look forward to seeing many of you at the meeting.

Robert (Bob) Richer
President
FSNA Ottawa Branch

OTTAWA BRANCH FALL MEETING

There will be two speakers at the fall meeting. Both will be available for questions and answers after their respective talks.

Mayor Watson: Seniors in Ottawa: A growing population and their important role in our community

As demographics change and our population ages, new challenges and opportunities arise. In fact, the seniors' population right here in Ottawa will double between now and 2031. As such, seniors will increasingly be depended upon to contribute to our communities. From tutoring and mentoring young people to the sharing of knowledge and the application of professional skills, seniors will play an even bigger role in our society.

At the same time, it is very important that the City proactively address the specific issues associated with an ageing population. During my keynote speech at the Fall General Meeting, I will be reflecting on these issues, as well as sharing ideas and questions raised at our Seniors Summit, which will be hosted on October 3rd, 2011. The purpose of the summit is to bring together experts and every day residents alike to develop strategies and policies that will enhance and improve the quality of life for our seniors' population.

Grete Hale: **Reflections on My Life in Ottawa**

The second speaker at the November 8 General Meeting for FSNA members will be Grete (Marguerite) Hale. In 2010 she authored a popular book "**Baker's Daughter: The Story of a long, rich and very Canadian Life**" full of amusing stories about friends, family and funny events of her life here in Ottawa. While she started at Morrison Lamothe making cookies, she did achieve the position of Chairman of Morrison Lamothe Inc., a national family frozen food company now headquartered in Toronto. She has served on numerous national corporate and provincial boards and continues to be an active volunteer in dozens of Ottawa organizations, including President of Beechwood Cemetery and on the board of the Community Foundation of Ottawa. She received the YM-YWCA Life Time Achievement Award in 1997, the Canadian Woman Entrepreneur of the Year Award in 1998, an Honorary Doctorate from the University of Ottawa in 1999 and the Order of Canada in 2006.

Branch Website

For up-to-date information, regularly visit the Ottawa Branch Website at:
www.fsnaottawa.com

MEALS ON WHEELS

Meals on Wheels is a volunteer-based support service that delivers delicious meals to individuals to assist them in maintaining their health and independence at home. The meals are delivered by volunteers who work in teams consisting of a driver and a server.

Please consider joining our Meals on Wheels organization as a volunteer delivering hot nourishing food to individuals who are unable to prepare their own meals. If you enjoy reaching out to people in your community, this is an essential service for people wishing to remain independent in their homes. All volunteers are provided with orientation and training. A gas allowance is provided.

For further information about volunteering for Meals on Wheels, please call 613-233-2424. You can also visit our web site at:
www.mealsonwheels-ottawa.org

MEMBERSHIP SURVEY RESULTS

A Big Thanks to all who completed our survey last March and April. Your responses have now provided us with a representative sample of member demographics and interests which will guide our planning over the next several years. In terms of all of the work required to develop, implement and analyze such a survey we were very fortunate that several Stats Can retirees volunteered to join our Membership and Services Committee to work on this particular project. In addition to our team, the Information and Technology Committee were instrumental in researching and providing us with our free internet tool, and then working with us to run the survey.

Work has now begun on analyzing the data we received and identifying the specific steps to be taken to address the interests and needs members have identified for us. Seventy-three percent of our respondents were between the ages of 50-74 and the majority our participants were male. Members confirmed the value they place on the role FSNA plays in the ongoing advocacy regarding Pensions and Health and Dental Benefits. They also confirmed the importance of having the Ottawa Branch play a key role in liaising with the National Office on these topics and providing ongoing input and advocacy also. This was closely followed by an almost equal degree of interest in collaboration with provincial and local seniors groups on issues of seniors' rights and benefits at the provincial

and local levels. Access to information on rights and benefits and selected seniors issues as located on the Branch website, in the Branch Report and through meetings were also rated very highly as a reason for membership in the FSNA.

Among information topics for our members (other than rights and benefits) which scored real interest were those related to life transitions: home and health care, long term care options, financial planning in that order.

The final report of our Committee should be available on the website by early December 2011. I would like to thank all the hard-working members of our committees who contributed so much time and energy to make this undertaking so successful and especially Rebecca Belanger and Fernand Marcoux.

Membership and Services Committee

Rebecca Belanger
Joanne Toews
Susan Hall
Don Tudin
Jim Turner
Linda Balke
Pierre and Odile Cusson
Peter Sloan

Information Technology Committee

Victor Lawetz
Fernand Marcoux

PROTECTING YOUR SAVINGS IN A TIME OF RISING INTEREST RATES



Photo by al-ex, stockxchnq

While federal retirees are generally protected from the ravages of inflation with the annual pension increase tied to the consumer price index, it is a lot more difficult to protect our personal savings. The returns on bank accounts and guaranteed investment certificates have been microscopic over recent years (not to mention the current yield on CSBs which is 0.65%).

While government and corporate bonds (and mutual funds that invest only in bonds) offer somewhat higher returns than bank accounts and GICs, they can also be subject to capital losses when interest rates rise. This is because there is an inverse relationship between the movement in interest rates and the value of a bond. When interest rates rise, bond prices decline...and vice versa. Here's how it works. In the simplest example, assume you own a perpetual bond (a bond that has no maturity date) paying 2% interest and the current interest rate is also 2%. In this case, you will earn \$20 a year for each \$1,000 invested and you could sell the bond at its \$1,000 face value. But if interest rates were to increase to 4%

you would earn \$40 on any newly issued \$1,000 bond. Therefore, a buyer would be willing to pay only \$500 for your "old bond" since he/she would need to earn 4% when buying your old bond or would simply buy a newly issued bond (and, of course, it works the other way around if interest rates go down). The impact of changes in interest rates becomes less dramatic as the term to maturity of the bond shortens, and is zero when the bond reaches maturity since you will receive the face value when you redeem it. Thus, the price of short term bonds is less volatile than longer term bonds.

In order to keep a positive rate of return on personal investments as we come out of the "Great Recession", one should consider the potential benefits of accepting a slightly higher degree of risk, in line with our improved economy. Investment managers, recognizing the risks of holding fixed income securities in today's extremely low interest rate environment, have developed a number of strategies which offer much of the security of government bonds but with higher returns by investments in corporate bonds from both big and medium sized firms. In addition, while equities are subject to higher risks than fixed income securities, they also offer correspondingly higher potential returns. Therefore, some fund managers also include a component of blue-chip common and preferred stocks or other less risky equity-based investments in their portfolios. This combination of fixed income vehicles, along with some equities, can make for an investment with a steady income

from its interest and dividend component as well as the possibility of modest capital appreciation if the equities rise in value through economic growth and higher earnings.

If you are reviewing your financial situation and are unsure how to proceed, talk to a professional financial adviser. Everyone's situation is unique and there is a broad range of investment possibilities. With a financial adviser, you can review your personal objectives...including gaining a better understanding your time horizon and risk tolerance...and work out how best to achieve your goals. You can look at how your savings are working for you now, and what are some better ways to protect their value and increase your returns in what will likely be a coming period of rising interest rates.

***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 was established in 1960 by employees of the Departments of Trade and Commerce and of External Affairs. Its services are available exclusively to current and retired public sector employees and their family members. Their web address is www.tradex.ca.

PURPOSE OF BRANCH REPORT

Via the Ottawa Branch Report, e-mails and general meetings, the Branch provides information on issues, products and services of general interest to our membership. The Branch's purpose is not to endorse a particular position on an issue, or a product or a service, as suitable for individual members but to bring such information to their attention so that they can make up their own minds.

Administrative Assistance for the Bereaved is available at the FSNA Ottawa Branch by calling 613-737-2199

Strength in Numbers

If you know of a friend or former colleague, currently in the Public Service or retired, who is not yet a member, invite him or her to become a member of FSNA. The more members we are, the better we can preserve our retirement benefits.

Ottawa Branch Reports are produced in both official languages. If you are not receiving them in the language of your choice, please contact the FSNA Ottawa Branch.

E-mail Addresses

To help keep administrative costs to a minimum, we request that you consider providing FSNA your e-mail address.

This will also allow us to provide you with timely information.

FSNA respects your privacy and will not share this information with third parties.

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MARK YOUR CALENDARS!

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MEETING HIGHLIGHTS

**SENIORS IN OTTAWA:
A GROWING POPULATION AND
THEIR IMPORTANT ROLE IN
OUR COMMUNITY**

Presented by
Mayor Jim Watson

**REFLECTIONS ON MY LIFE IN
OTTAWA**

Presented by
Author Grete Hall