



Bell Pensioners' Group

Together, Protecting our Pensions and Benefits

September 2008 – Newsletter

Toronto Chapter

P.O. Box 5-Stn "D" Etobicoke ON M9A 4X1

www.bellpensionersgroup.ca

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18th Sept 2008

Plan Now to Attend Our Fall General Meeting

The fall meeting is scheduled as follows:

Date: Thursday October 16th 2008

Time: Reunion: 11:30 AM to 12:30 PM

Meeting : 12:30 to 2:30 PM

Location: Pavilion Royale 5165 Dixie Road Mississauga Ontario

Agenda:

Presidents Message—Raymond Bertrand

PIC Update — Jim Murray

Introduction of new Chapter Chair - Al Bowcott will be acclaimed as new Toronto & Area chair

Keynote Speaker:-Art Fitzgerald, one of a select group of individuals chosen for The Climate Project training program led by Nobel Laureate Al Gore to spread the message about the challenges of and solutions to the climate crisis. will discuss how individuals in their homes, businesses and communities can take the actions necessary to reduce their environmental impact and urge others to action.

Toronto Chapter News

We are pleased to report that we have two new members on our chapter executive team. Phil Thomson is our new web master and Don Crone has joined us as a member at large

We still have an urgent need for a new treasurer. To date, despite repeated requests, no one has stepped forward to volunteer for this position. Needless to say, our chapter cannot function without a treasurer and we have no replacement candidates on our current executive.

This situation is now very urgent. If you are interested, I urge you to call or email Jim McColl at: (905) 897-2187 or jimmccoll@bellpensionersgroup.ca

Chapter Contacts :

Dorothy Dunbar at: (416) 766-1999 or via email at ddunbar@sympatico.ca

Chapter Chair: Jim McColl at (905) 897-2187 or via email at: jimmccoll@bellpensionersgroup.ca

NEW BPG WEB SITES UP AND RUNNING!

Looking for information about the Bell Pensioners' Group?

Whether it's corporate items like the Group's action on pension reform or events at your local chapter, it's now much easier to find what you're looking for. The BPG Communications Committee maintains eight web sites, including the five chapter sites (Quebec, Montreal, Ottawa, Toronto, and Southwestern Ontario), the BPG National site, and the bilingual version of the National and Montreal sites.

The Committee has been working since the end of 2007 to make all the sites more functional and easier to navigate. They've also updated the content and appearance to create a more professional image.

So check out the new site at www.bellpensionersgroup.ca where you can also link to the local chapters. We'd appreciate hearing what you think, so while you're there, send your comments to the Communications Committee. You'll find the address under CONTACT US.

BPG SUPPORTS CALL FOR A NATIONAL PENSION SUMMIT

There are currently three major government reviews of pension legislation underway across Canada. As reported earlier, Ontario and a joint Alberta and British Columbia initiative have undertaken public consultations with Ontario putting an emphasis on identifying issues with defined benefit plans. BPG has submitted in-depth responses to these provinces as well as to Nova Scotia which has also recently undertaken its own formal study.

These provinces are scheduled to release their independent findings this fall and are over and above the Finance Canada May 2005 pension legislative reform consultation. With the wrap-up of these formal consultative processes, there is some uncertainty as to what the next steps in the process will be and when they will take place.

As a result, a key pension plan stakeholder, The Canadian Institute of Actuaries, has written to the federal Minister of Finance requesting the Minister's agreement and support in calling for a national pension summit to expedite the actions required to get the next steps in developing and implementing new and revised pension legislation underway in all jurisdictions. It has been proposed that such a summit should take place later this fall or early next year at the latest.

BPG has written to the federal Minister of Finance in support of the Institute's call for a national pension summit and also has written to the provincial ministers responsible for pension legislation to request their individual agreement and support for such an initiative.

ARE YOU READY TO SELL YOUR BCE SHARES?

It is now quite certain that the deal to take BCE private will close later this fall. If you are a BCE shareholder you should be preparing for when your shares will be purchased by the Company.

A sale of shares could trigger a capital gain or loss which is the difference between:

The cost to purchase the shares when they were acquired- subject to adjustment for stock splits, issuance of Nortel shares, etc.; and

The \$42.75 per share selling price.

Capital gains and losses are subject to income tax reporting. BPG members, who believe they might be subject to a significant capital gains tax, may have options available which could reduce the amount of tax payable.

It is recommended in these cases that members obtain competent tax advice in time to take appropriate action before the end of the tax year in which the shares are sold.

You can request tax advice through your professional financial planner or advisor. It is also suggested that BPG members may want to consult a professional financial advisor on options and opportunities for re-investing the proceeds from the sale of BCE shares. Note that if you do not currently have a qualified financial advisor, major financial institutions have qualified staff at most of their branches to assist you.

Are You Aware - Pensioner ID cards

Bell no longer issues pensioner ID cards. The suggestion from Bell is that a pensioner who wants to take advantage of some of the discounts offered on car rentals, hotels etc, should use their Bell insurance card for ID purposes.

Are You Aware - Survivor Pension Options

One of our members has asked if single or widowed pensioner with no survivor option would be able to convert to a reduced pension with survivor option, if he/she subsequently marries. The answer is no

Membership

Thanks for encouraging your colleagues and friends to join BPG. We will be dealing with a new ownership soon and it is more important than ever that we have a strong membership. To this point in the year, it seems likely that our total chapter membership will experience a slight decline over last year. Unfortunately we still have close to 100 members who have not paid their 2008 dues. Please try and recruit a new member before the end of the year.

IT'S TIME TO INVEST FOR YOUR FUTURE !

Over the past year, the numerous developments surrounding the sale of BCE have clearly demonstrated the importance of a movement such as the BPG, particularly when major events threaten our acquired rights. During this period of uncertainty, the Bell Pensioners' Group has kept you informed, and has promptly retained the services of renowned advisors, in order to be in a position to quickly defend our rights. With close to 10,000 members, your Group has become a recognized and credible organization with government agencies as well as other organizations in the pension

plan sphere. From now on, it will be of vital importance that Bell pensioners and those from its subsidiaries be represented by a strong voice, and as stated in our new slogan, to remain together. Only the strength of a group such as ours will ensure that we are heard by the new Bell proprietors as well as by governments. So don't hesitate to invest in your future and send us your 20\$ dues for 2008 as soon as you receive your renewal notice

The BPG Writes to the Five Federal Political Parties

On September 11th, in light of the federal election campaign, the BPG sent a letter to the five main political parties running in the election.

In his letter, BPG President Raymond Bertrand mentions that "all pensioners have a keen interest in the ongoing financial security of their pension entitlements which represent, for most pensioners, the single largest source of their income. Since 2005, the BPG has been advocating with the federal government and relevant federal agencies on a number of initiatives to improve current pension legislation that would significantly reduce the financial risk for pensioners."

He goes on to state that "in order that the BPG might assist its members in their understanding of your party's policies with regard to pensions, I request that you respond to the following questions. It is the BPG's intention **to share your responses with its members prior to election day.** For this reason, a response by October 3 would be appreciated.

- Would your party be prepared to press for a legislated requirement for continual full solvency of defined benefit pension plans?
- Would your party support a legislated requirement that defined benefit pension plans be subject, annually, to an independent audit?
- Would your party support legislative

changes that would, in the case that a sponsor of a defined benefit plan should fail, place the pension plan among those creditors who get preferred access to the remaining assets of the company?

The replies received from the different parties will be **published immediately on the BPG's web site.**

Missing Members

Well—we have managed to lose track of a few more. If anyone knows where to contact any of the following, we'd love to hear from you:

Anna Blazetich, Welland; James Lilly, Georgetown

Patricia Longmuir, Orillia; Alice McLaren, Toronto

Patricia Oates, Burlington; Douglas Shaw, Cobourg

Norma Simms, Port Hope; Cliff Tucker, St Catharines

Bruce Woodcock, Jordan; Robert Wynn, Peterborough

Dorothy Lam, Richmond Hill; Margaret Davis, Ashburn;

Donald Young, Midland; Michael Matthews Bowmanville; John Wohnfuther, Saudi Arabia

Allan McLeod, Barrie

Transferring Wealth: - Effective Strategies for the Typical Canadian

The following is an excerpt from the summer "Tax Alert" provide by Collins Barrow, BPG's auditor's. This information is provided solely on the basis that it may of interest and relevance to some of our members. In all cases, BPG recommends strongly that individuals consult with their own financial advisors and/or tax attorneys before acting on any of the information provided here.

Keeping it in the family

You've worked a lifetime to accumulate assets. In fact, the average Canadian family has amassed total personal wealth of approximately \$224,633.¹ And whether your nest egg is bigger or smaller than that, there are simple strategies you can use to make sure your wealth passes smoothly and tax effectively to your children and grand children.

Minimize capital gains taxes on your cottage.

For many older Canadians, the family cottage becomes a liability. Maintenance expenses are a drain on bank accounts, and the equity tied up in the cottage could be put to better use funding retirement, dream vacations or hobbies. Transferring your cottage to the next generation during your lifetime may solve these problems and provide tax-planning opportunities at the same time.

Imagine that you have a home in the city that you intend to designate as your "principal residence."² You can sell this home without paying tax on the capital gains it has earned through the years. Your cottage, on the other hand, will not be exempt from capital gains taxes when you sell it. However, if you expect the cottage to appreciate in value in the coming years, transferring ownership to your children now allows all future gains to be taxed in their hands rather than yours. It also means there will be no probate fees on the value of the property after your death because the cottage will not be part of your estate. Of course, selling the cottage now does mean that taxes will be due on any appreciation in value to this point. However, there are smart ways to structure the sale to reduce the immediate tax liability. If you sell the cottage to your children in return for a mortgage or a promissory note (though not a demand promissory note, which is deemed to be due immediately), with equal payments to be made over a minimum of five years, only

20 per cent of the capital gains must be reported each year. Essentially, you can spread the taxes over five years. Then, if you so choose, you can forgive the outstanding reduce the immediate tax liability. Then, if you so choose, you can forgive the outstanding loan in your will

Maximize the benefits of your RRIF

It is very important to name a beneficiary for your Registered Retirement Income Fund (RRIF), and to choose that beneficiary wisely. Like a Registered Retirement Savings Plan (RRSP) and Registered Pension Plan (RPP), an RRIF can be paid directly to a named beneficiary, thereby avoiding probate fees. In addition, if the RRIF beneficiary is a "qualified beneficiary" (a spouse, common-law partner, financially dependent child or grandchild, or a child or grandchild dependent because of physical or mental infirmity), the RRIF proceeds can pass tax-free directly into the beneficiary's RRSP or RRIF, to be used to purchase a qualifying annuity. Proceeds from an RRIF left to someone other than a qualified beneficiary will be included and taxed as income on your final tax return, and the bill could be hefty. While you can prepare to cover these taxes in advance with a life insurance policy, it is often preferable to leave RRIF assets to a qualified beneficiary and leave other non-registered assets to your other beneficiaries.

A little planning goes a long way

Every Canadian should have a comprehensive plan for transferring assets to the next generation, no matter how big or small his or her estate may be. Your financial advisor can help you implement strategies that work for you - whether that means moving property or investments into your beneficiaries' hands now or structuring assets so the transfer is tax-efficient upon your death. Careful planning, starting today, will help you minimize taxes, reduce the possibility of a forced sale to cover unanticipated estate costs, and, perhaps most importantly, avoid family conflict and challenges to the wishes you express in your will. Contact your Financial advisor to discuss the appropriate wealth strategies for you



BPG's President writes to Bell's President

On July 17th Raymond Bertrand BPG's president wrote to George Cope, president and CEO of Bell. The text of Raymond's letter and Mr. Cope's reply are shown below. Raymond subsequently wrote to Alain Bilodeau, Premier Vice president Bell Canada who is responsible for the Bell Directors we meet with and invited him to address BPG's Board of Directors at our next BPG/BCE meeting on October 8, 2008 . Raymond suggested that Mr. Bilodeau provide us with a brief update on developments and what we may expect in the foreseeable future under the new ownership

We will hopefully be able to provide you with further updates at our Fall GM and in our November newsletter.

July 17, 2008

George A. Cope

President and Chief Executive Officer

BCE Inc. and Bell Canada

Mr. Cope,

On behalf of the members of the Bell Pensioners' Group (BPG) I want to congratulate you on your appointments to the BCE Inc. and Bell Canada Boards of Directors and to the office of President and Chief Executive Officer for both companies. We wish you and your team of Executives every success in achieving your major goal and objectives.

BPG members have always been and will continue to be great ambassadors for Bell. Our members have fond memories of their many years as Bell employees. This is especially true for many of us who proudly recall the great satisfaction we got from helping the business become a benchmark for providing high quality customer service in the past. It is with this in mind that we express our unreserved enthusiasm for your goal to deliver "a better customer experience at every level". And as loyal customers of Bell, we will also look forward to *receiving* that better customer experience!

I would, as well, like to take this opportunity to introduce myself as the recently appointed president of BPG. BPG and BCE/Bell have long enjoyed a cordial and mutually beneficial relationship and I am making it my priority to ensure that this continues for the future.

It would be a pleasure to be given an opportunity to meet with you and members of your senior executive team at any time to provide an overview of BPG goals and activities as well as to answer any questions you might have.

Sincerely,

Raymond Bertrand, President

Dear Mr. Bertrand,

Thanks you for your letter dated July 17, 2008, and more specifically your kind words and good wishes.

I am delighted with your enthusiasm and support for Bell's key strategic imperative of improving customer service by enhancing the overall customer experience. It is extremely important to me that I can count on BPG members to continue acting as ambassadors for Bell as we strive to achieve our goal to be recognized by customers as Canada's leading communications company.

I am pleased that BPG and Bell have maintained a strong relationship over the years and am confident that this relationship will continue to mutually benefit us in the future. To this extent, I would like you to know that the Bell senior representatives that you have been dealing with over the years are continuing in their present roles and will have my full support. I trust them to speak on my behalf and on behalf of the company regarding all matters concerning the Bell Pensioners Group .

Once again thank you very much for your kind words of encouragement.

Sincerely



George Cope

President and Chief Executive Officer

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Bell Pensioners' Group

Together, Protecting our Pensions and Benefits

The annual fee of \$20.00 covers the period from January 1 to December 31.

I wish to become a member of the Bell Pensioners' Group (BPG) Inc and I enclose my cheque for \$20.00.

Please make the cheque payable to: **Bell Pensioners' Group**

Please feel free to print this form and pass along to former colleagues.

Note This form is for new applications only. If you are an existing member – please do not use this form

Application:

Family & Given Names:	Initials:	
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I would like to receive my newsletters by:	Email _____	Mail _____
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Please mail completed form along with your cheque to: Bell Pensioners Group, P.O. Box 5-Stn "D"
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