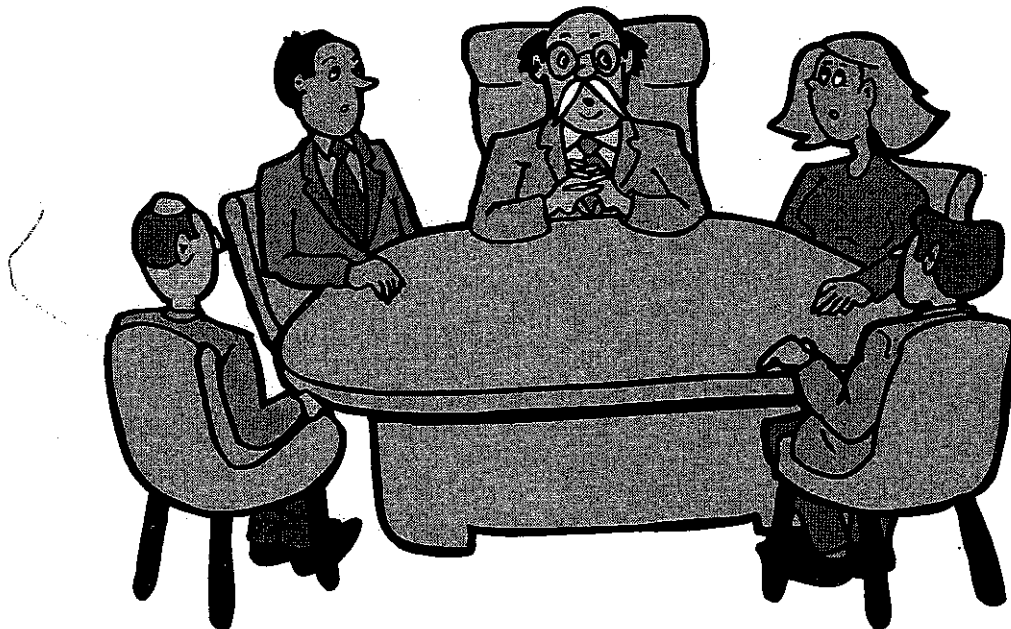


Newfoundland & Labrador
Public Sector Pensioners' Association

446 Newfoundland Drive, Suite 206
St. John's, NL A1A 4G7 (709)754-5730, 1(800) 563-4188
Email: pensioners@npspa.ca Website: www.npspa.ca

17th ANNUAL GENERAL MEETING



Battery Hotel
Signal Hill Road
St. John's, NL
18 September 2007

IN MEMORY OF DECEASED MEMBERS 2006-2007

Allston Jack T
Andrews, Julia R
Andrews, Stephen
Barrett, Arthur G
Bartlett, Winifred
Benoit, Annie
Bird-Thomas, Emily
Blanchard, Irvin J
Budgell, John
Butt, Samuel
Cable, Hayward
Caines, Gwendolyn
Chatman, Malcolm
Churchill, Patricia
Colbert, Garrett P
Cole, Hannah
Collins, Alva
Collins, Augustine
Collins, Cyril
Croke, Thomas
Delaney, Robert
Dobbin, Samuel
Dominaux, Cecil
Dormody, Kevin
Forward, Emma
Furlong, Walter
Gill, Clyde
Gillingham, Annie
Glynn, Aloysius
Grace, Marie
Grandy, Earl
Greeley, Wilson
Griffiths, Keith
Halfyard, Christine R
Hewlin, Forward
Hobbs, Dorothy
Hood, Helen
Kennedy, Loretta
Kennedy, Maxwell
King, Harold
King, Leonard
King, Lloyd

King, Ralston
Lander, Sheila
Langdon, Stratt
LeShane, William
Lindsay, Ruth
Lovell, Mary Louise
Montague, Clayton
Morgan, Neville
Mullett, E Maxwell
Murphy, John
Newman, Stella
O'Brien, Genevieve
O'Driscoll, Edward
Oates, Russell
Pardy, Kathleen
Penney, James
Penney, Margaret C
Pittman, George W
Pomeroy, George
Power, Genevieve
Powers, James
Price, Bertram
Roberts, Charles L
Russell, Elizabeth
Sharp, Dorothy C
Shea, Frances
Skinner, Doravel
Slade, Mildred
Taylor, Cyril
Thistle, Frederick
Thornley, Peter A
Trahey, James
Traverse, Edward
Wells, Rosie
Winsor, C Bruce

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BOARD OF DIRECTORS

President
Vice-President
Treasurer
Secretary
Past President

John Downton
Tony Patey
Cecil Templeman
Mary Ennis
Barbara Hopkins

Western Branch President

Wesley Roberts

Directors:

Ann Bell	Eric Salter
Sharron Callahan	William Shallow
Robert Langdon	Barbara Stone
Myles Philpott	

PENSION ACTION COMMITTEE

Tony Patey, Chair
John Downton
Robert Langdon
Myles Philpott
Eric Salter
William Shallow
Cecil Templeman

NOMINATIONS/ AWARDS COMMITTEE

William Shallow, Chair
Jean Chaisson
Myles Philpott

MEMBER SERVICES

Mary Ennis, Chair
Tom Cooper
Barbara Stone
Violet Ruelokke

COMMUNICATIONS (PR/NEWSLETTER)

Barbara Hopkins, Chair
Barbara Stone
Wes Roberts, Western Branch

HEALTH COMMITTEE

John Downton, Chair
Ann Bell
Jean Chaisson
Eric Salter
Jeff Young

FINANCE COMMITTEE

Cecil Templeman, Chair
George Fiander
Eric Hodder
Wesley Roberts, Western Branch

AGM PLANNING

Ann Bell, Chair
Mary Ennis
Robert Langdon
Tony Patey
Barbara Stone

CONSTITUTION COMMITTEE

Ann Bell, Chair
Robert Langdon
William Shallow

PENSION INVESTMENT COMMITTEE REPRESENTATIVE - Eric Salter

GOVERNMENT INSURANCE COMMITTEE - John Downton

PERSONNEL - Maureen Hogan - Administrative Assistant

**17th ANNUAL GENERAL MEETING
NEWFOUNDLAND AND LABRADOR PUBLIC SECTOR PENSIONERS' ASSOCIATION.**

2007 AGENDA

1. Call to Order
2. Introduction of Board of Directors
3. Minute of Silence for Deceased Members
4. Approval of Rules of Order
5. Adoption of Agenda for the 2007 AGM
6. Adoption of Minutes of 2006 AGM
7. Business arising from minutes
9. Report of the President on behalf of the Board of Directors
10. Committee Reports
 - Pension Action Committee
 - Member Services
 - Organizational Structure & Roles
 - Communications - Newsletter
11. Western Branch Report
12. Report of Representatives on Government Committees:
 - Government Insurance/Health Committee
 - Government Pension Investment Committee
13. Treasurer's and Auditor's Report
14. Results of Election of Board of Directors
15. Draw for \$100 door prize
16. Adjournment.

**NEWFOUNDLAND AND LABRADOR PUBLIC SECTOR PENSIONERS' ASSOC.
ANNUAL GENERAL MEETING
TUESDAY, OCTOBER 17, 2006
COMFORT INN, ST. JOHN'S, NL**

PRESENT

Barbara Hopkins, President
John Downton, Vice President
Mary Ennis, Secretary
Jeff Young
Ann Bell
Jean Chaisson
Eric Salter
Wesley Roberts, Western Branch
Tom Cooper
Tony Patey

ABSENT

Paul O'Leary
Florence Power

1. CALL TO ORDER

The meeting was called to order at 9:00 A.M. by John Downton, Master of Ceremonies for the morning session.

2. INTRODUCTION OF BOARD MEMBERS

The members of the Board of Directors for 2005-2006 were introduced by the Master of Ceremonies.

3. MINUTE OF SILENCE FOR DECEASED MEMBERS

The membership observed a moment of silence for the members of the Association who passed away since the previous Annual General Meeting, held on October 18, 2005.

4. ADOPTION OF THE AGENDA FOR THE 2006 AGM AND CONFERENCE - APPROVAL OF RULES OF ORDER

Motion: That the Agenda be adopted as presented.

Moved: Tom Cooper **Seconded:** Ann Bell

CARRIED

Motion: That the Rules of Order on page 41 of the Annual Report be approved.

Moved: Jeff Young **Seconded:** Ann Bell

CARRIED

5. REPORT OF THE NOMINATIONS COMMITTEE

Tom Cooper, Chair of the Committee, presented the report. The following candidates signified their willingness to serve on the Board of Directors and were nominated by the Committee for election to the Board.

Ann Bell Ann began work in the Public Service in 1972. She retired in 1990 from the Advisory Council on the Status of Women. Ann has served on the Board for the past two years.

Sharron Callahan Sharon retired in 2002 from the Department of Justice, having begun working with the Public Service in 1968.

John Downton John began working for the Public Service in 1988. He retired in 2003 from the Department of Health. John has served on the Board for the past two years.

Bob Langdon Bob retired in 1991 from the Department of Labour. He came to the Public Service in 1961.

Barbara Stone Barbara began work in the Public Service in 1965. She retired in 1999 from the Department of Human Resources and Employment.

Paul O'Leary Paul began work with the Public Service in 1968. He retired in 2003 from Treasury Board. Paul has served on the Board of Directors on a temporary basis for the past ten months.

Tony Patey Tony began work in the Public Service in 1970. He retired in 2004 from the Department of Government Services and Lands. Tony has served on the Board on a temporary basis for the past ten months.

Myles Philpot Myles began work in the Public Service in 1967. He retired in 1989 from the Department of Municipal and Provincial Affairs.

Bill Shallow Bill began work in the Public Service in 1974. He retired in 1995 from the St. John's Hospital Council. Bill served on the Board of Directors of the Association from 1999 to 2004 and was President for four years.

Paul O'Leary notified the committee on October 13 that he would not be running due to medical reasons so his name was removed from the slate.

Nominations were then invited from the floor. There was only one nomination. **Cecil Templeman** was nominated by Clarence Randell seconded by Gerry Conran.
Cecil Accepted.

Motion: That nominations cease.

Moved: Wesley Roberts **Seconded** Tom Cooper

The nine candidates were then declared elected by acclamation.

**6. GREETINGS FROM THE GOVERNMENT - Shawn Skinner, Premiers
Parliamentary Assistant to the Premier.**

Mr. Shawn Skinner addressed the group and brought best wishes from the Provincial Government.

7. KEYNOTE SPEAKER - Marilyn Pendergast, B.A., B.Ed, M.Ed, LLB

Ms. Pendergast gave an enlightening talk on Wills, Advanced Health Care Directives and Powers of Attorney, followed by a question and answer period.

8. NUTRITION BREAK

9. CONFERENCE WORKSHOPS

Your Health Plan, presented by Tony Lannon, Director of Insurance Division and Ron Cashin, Service Representative for Desjardins and Jody Crowther, Account Manager. They gave an update on the Desjardins Health Plan followed by a question and answer period.

Your Pension Plan, presented by David Lidstone, Pension Program Training Officer, and Kevin Murphy, CPP Client Services Officer. They gave an overview of the Public Service Pension Plan, the Canada Pension Plan and Old Age Security followed by a question and answer period.

10. LUNCH

Report of the Honours Committee

During lunch the President, Barbara Hopkins on behalf of The Honours Committee, presented the Honorary Director Award to Gerry Conran following which Gerry addressed the gathering. Tom Hanlon, Past President of NAPE received the Honourary Member Award.

Luncheon Speaker

The speaker this year was Susan Capps. Ms. Capps speech focused on her travels over the years.

BUSINESS SESSION

11. APPROVAL OF RULES OF ORDER

Motion: that the Rules of Order as stated on Page 42 of the Annual Report remain in place for the business meeting.

Moved: Ann Bell **Seconded:** Tony Patey

CARRIED

12. ADOPTION OF THE MINUTES OF THE 2005 ANNUAL GENERAL MEETING

Motion: that the Minutes of the 2005 Annual General Meeting be adopted as presented.

Moved: Ray Hawco **Seconded:** Tony Patey

CARRIED

13. REPORT FROM THE PRESIDENT ON BEHALF OF THE BOARD OF DIRECTORS

In her report the President, Barbara Hopkins, highlighted the issues with which the Board was involved during the past year. These included: Newsletter; Membership; Pre-Retirement Seminars; Health; Honorary Directors, National Day of Mourning, Premiers' Conference. In closing, Barbara thanked the Board and Executive for their support over the past year, Jean Chaisson and her AGM Planning Committee for organizing this years AGM and Maureen Hogan, Administrative Assistant.

Motion: that the President's Report be adopted as presented.

Moved: Barbara Hopkins **Seconded:** Tom Cooper

CARRIED

14. COMMITTEE REPORTS

14.1 Nominations/Honours Committee Report:

The Nominations Committee Report and the Honours Committee report were presented earlier in the day by Tom Cooper

Motion: that the Nominations/Honours Committee Report be accepted as presented.

Moved: Tom Cooper **Seconded:** Ann Bell

CARRIED

14.2 Health Committee Report

The Health Committee report was presented by John Downton.

Motion: that the Health Committee Report be accepted as presented.

Moved: John Downton **Seconded:** Robert Langdon

CARRIED

14.3 Member Services Committee Report

Member Services report was given by Mary Ennis.

Motion: that the Member Services Committee Report be accepted as presented.

Moved: Mary Ennis **Seconded:** Tony Patey

CARRIED

14.4. Western Branch Report

Wesley Roberts delivered the report from the Western Branch.

Motion: that the Western Branch Report be accepted as presented.

Moved: Wesley Roberts **Seconded:** Jean Chaisson

CARRIED

15. REPORT OF REPRESENTATIVES ON GOVERNMENT COMMITTEES

15.1 Government Insurance Committee This Report was presented by John Downton.

Motion: that the Government Insurance Committee Report be accepted as presented.

Moved: John Downton **Seconded:** Wesley Roberts

CARRIED

15.2 Government Pension Investment Committee

Barbara Hopkins presented this Government Pension Investment Committee report on behalf of Eric Salter

Motion: that the Government Pension Investment Committee Report be accepted as presented.

Moved: Barbara Hopkins **Seconded:** Wesley Roberts

CARRIED

16. TREASURER'S AND AUDITOR'S REPORTS

Treasurer's Report Barbara Hopkins presented the Treasurer's report on behalf of Paul O'Leary.

Motion: that the Treasurer's Report be accepted as presented.

Moved: Barbara Hopkins **Seconded:** Margaret Adey

CARRIED

Auditor's Report was presented by John Downton on behalf of Paul O'Leary.

Motion: that the Auditor's Report be accepted as presented.

Moved: John Downton **Seconded:** Tom Cooper

CARRIED

Finance Committee Report Barbara Hopkins presented the Finance Committee report on behalf of Paul O'Leary.

Motion: that the Finance Committee Report be accepted as presented.

Moved: Jean Chaisson **Seconded:** Theresa Cantwell

CARRIED

Motion: that Mr. Gerald Murphy, CGA, be retained as the Association's Auditor for the coming year.

Moved: Tony Patey **Seconded:** Margaret Adey

CARRIED

17. OTHER BUSINESS:

17.1 Board Travel Policy - Much discussion re the Board travel policy. It was decided to send this matter back to the Board of Directors to be resolved.

17.2 Resolutions: The following are two resolutions that were presented and accepted at the 2006 Annual General Meeting.

Resolution #1

Whereas the level of literacy skills amongst adults across Canada constitutes an economic and social challenge of massive proportions;

And whereas, according to the recent International Adult Literacy Skills Survey, more than 50% of adults, 16-65 years of age, in Newfoundland & Labrador do not have the literacy skills they need to be successful in today's knowledge-based society;

And whereas recent funding cuts announced by the Federal Government will deal a crippling blow to the Province's community-based grassroots adult literacy movement;

Be it resolved that the Membership of the Newfoundland & Labrador Public Sector Pensioners' Association, at this Annual General Meeting, directs the Board of Directors to write the Prime Minister urging him to reinstate and even increase support for the adult literacy movement and thereby work towards the correction of such an economic and social disaster in our country.

Motion: that resolution be accepted as presented
Moved: Bill Shallow **Seconded:** Robert Langdon

CARRIED

Resolution #2

Whereas members of the Newfoundland & Labrador Public Sector Pensioners' Association have contributed significantly to the development of the Province;

And whereas many, if not all, members of the Association were and continue to be deeply committed to the roles they have played in the development of the Province;

And whereas many members of the Association retain their interest and commitment to the development of the Province;

And whereas other jurisdictions have established programs whereby retired employees, on a volunteer basis, in cooperation with the former employer, can engage in activities designed to provide services to the community, e.g. the Telephone Pioneers;

And whereas if such a program existed within the Provincial Public Sector it would provide opportunities for members of the Association to continue their interest and commitment to the development of the Province, would make available meaningful services to the community, and would foster a more positive relationship between the Association and the former employer;

Be it resolved that the Board of Directors of the Association prepare and submit to the

Provincial Government a proposal to establish a program, to be jointly managed by the Association and an appropriate Provincial Government agency, whereby members of the Association, on a volunteer basis, could engage in activities designed to provide meaningful services to the community and contribute to the development of the Province.

Motion: that resolution be accepted as presented.

Moved: Bill Shallow **Seconded:** Ray Hawco

CARRIED

18. DRAW FOR DOOR PRIZE OF \$100

The prize was won by Bud Davidge.

19. ADJOURNMENT OF 2006 ANNUAL GENERAL MEETING

The meeting adjourned at 4:10 P.M.

Signed:

Barbara Hopkins, President

Mary Ennis, Secretary

REPORT OF THE PRESIDENT ON BEHALF OF THE BOARD OF DIRECTORS

This report summarizes the 2007 activities of the Board of Directors of the Newfoundland and Labrador Public Sector Pensioners' Association. I will highlight the different areas of activity. Further details will be provided in the respective chairpersons' reports.

There were many challenges to be faced this year. Two of the main ones have been

- Striving to enhance our financial well being through improving our pension benefits
- Maintaining and improving insurance benefits that meet the needs of our members reasonably and at reasonable costs to members.

PENSIONS

Trying to enhance pension benefits has been a priority for many years. The pension committee, chaired by Tony Patey, has been active this year and this committee has worked closely with the executive. The main strategy has been and continues to be to build more positive relationships with our employer in order to achieve fairness and equity

Over the years the Public Sector employees have made significant contributions to improving the financial status of this province through wage cutbacks, wage freezes and very modest increases when any were offered. Responses from Government to our presentations indicates that Government acknowledges these contributions.

I was very pleased when the Premier, while speaking to a labour group, recently publically announced that the Public Sector workers will be rewarded for their contributions to the financial well being of the province.

At a recent meeting held with the Association executive and the Minister of Finance, we made strong representation regarding the reality that retirees, during their working years, also made significant contributions to the Province's financial circumstances and thus retirees should also be rewarded equitably as has been promised to current employees. We also presented our position paper on pension improvements which includes a one- time adjustment to pensions that would allow current retirees to gain ground on the erosion of their pensions through the increased cost of living. Also emphasized in the position paper which was presented to the Minister the need to enhance the current level of indexing so that pensioners can have ongoing increases that at least keep pace with the cost of living.

Tony Patey and I have had several meetings with Ministers Skinner and O'Brien to discuss the Association's position on improving pensions. I felt the Ministers were open and receptive to us and that the meetings generated good will and formed a sound basis to help us to

increase our access to Cabinet members.

We also made a presentation to the pre-budget consultations. There we presented our position on improved pension benefits.

These presentations and networking are important parts of the process of achieving our goals of improved pension benefits.

I wish to recognize the efforts of the Wesley Roberts and the members of the Western Branch of the Association in lobbying the Minister of Finance and M.H.A's in their region.

GROUP INSURANCE BENEFITS

Our Association represents pensioners on the Government Group Insurance Advisory Committee. The mandate of this committee is to provide advice on matters relating to group insurance to the policy holder, that is the Government of Newfoundland Labrador.

With the plan renewal for the current year we were able to achieve some enhancements while minimizing increases in premiums. It is important for us to keep in mind that our plan offers benefits that are very comparable to other insurance plans across the country. Our premiums are better than average for premiums across the country for these comparable benefits.

The change in insurance carriers has brought forward a number of issues that have had a negative impact on our members. Unfortunately in many cases resolution of these issues has been slow. The Advisory committee is working very hard to overcome these challenges and bring the plan to the at least the same level of services and benefits that we have experienced in the past.

ORGANIZATIONAL STRUCTURES

From time to time it is necessary to look at organizational structures to make sure that they meet current needs of members as well as possible.

Concerns were raised that our organizational structures may not be optimal for meeting the needs of our members. An Ad Hoc committee was formed to examine these structures and hopefully make recommendations for improved structures that will be approved by the members.

The committee is working hard on its mandate but this process will take some time.

BEREAVEMENT SERVICES PILOT PROJECT

We were pleased to approve a project related to providing support to members experiencing bereavement. Visitations were organized. I encourage members to volunteer time to participate in helping fellow members and their families during very difficult circumstances. This is a worthwhile endeavor.

CONVENTION/ANNUAL GENERAL MEETING

I congratulate the Convention/Annual General Meeting planning committee members, chaired by Ann Bell, for the extensive hard work involved in expanding the scope of our A.G.M. and Convention beyond our own members. I hope their efforts will result in greater public awareness of our organization, increased membership and more extensive participation by our members in our organization.

CONCLUSION

This year there have been other standing committees in addition to the ones already mentioned in this report. They will reporting to you at the A.G.M. I recognize their efforts on your behalf during the past year.

A volunteer organization depends upon the generosity of members in offering time and work for the benefit of all the members of the organization. I want to personally thank the members of our Board and Executive for their very hard work and support during the year. Finally, special appreciation goes to Maureen Hogan for her dedication and hard work.

Respectfully submitted,

Maureen Hogan
for: John Downton
President

NOMINATIONS/HONOURS COMMITTEE

The responsibilities of this committee are:

- to ensure the nomination of suitable candidates for election to the Board of Directors by the Membership at the Annual General Meeting;
- to ensure the nomination of suitable candidates for election to the Offices of the Association by the Board of Directors;
- to recommend to the Board of Directors suitable recognition of members and non-members for contribution to the work of the Association and to the well being of Public Sector Pensioners.

NOMINATIONS

During the year, Florence Power, an elected Board Member, found it necessary to resign from the Board. As provided for in the Association's Constitution, on the Committee's nomination, the Board appointed Tom Mills to fill the vacancy. Unfortunately, Tom also submitted his resignation after attending three meetings of the Board. The position was then left vacant.

For the upcoming year, 2007-08, there are four Board vacancies to be filled. The following Members are nominated for election for two-year terms to fill those vacancies:

Joyce Fewer
James McCarthy
Cyril Shugarue
Terry Stapleton
Terry Sullivan
Ron Tizzard

Further nominations will be invited from the floor before the election process takes place.

As provided for in the Association's Constitution, the Offices of the Association: President Vice President, Secretary and Treasurer, will be elected by the new Board of Directors at their first Board Meeting after this Annual General Meeting.

HONOURS

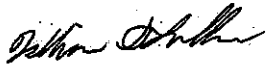
The Association's Honorary Director Award is designed to recognize the significant contribution of an Active Member of the Association, and is considered a lifetime award. For this year, the Board of Directors, on the recommendation of the Committee, has decided to grant the Honorary Director Award to retiring Board Member, Eric Salter. Eric has been a Board Member since 1997, during which time he has held the Office of President, has chaired various committees and represented the Association on both the Government's Group

Insurance Committee and the Pension Investment Committee. In addition, the Board nominated Eric for Voluntary Recognition by the Community Services Council. The Award was presented during Volunteer Week in April 2007. Eric Salter is a truly outstanding volunteer, contributing significantly to the work of our Association and to numerous other volunteer groups throughout the Province.

Sincere thanks are extended to the Members of the Nominations/Honours Committee: Jeannie Chaisson, Tom Mills and Myles Philpott. Bert Price, former President and Honorary Director, was also a member of the Committee during the early part of this year, but unfortunately passed away while still in office. Bert was a wonderful pensioner and friend of the Association and he will be sorely missed.

As always, special appreciation must be expressed to Maureen Hogan, Administrative Assistant, without whose support very little would be accomplished.

Respectfully submitted,



William Shallow
Chair, Nominations/Honours Committee

PENSION ACTION COMMITTEE

The first meeting of the Pension Action Committee was held in early November. Our objective was to set out our plan and approach for the year. It was agreed that we would take a solutions based approach to Government, in other words we would work to provide Government with an understanding of the current circumstance of public sector pensioners and table reasonable solutions.

This approach required us to build support around the Cabinet Table and among all MHAs. Each member of the PAC and the Executive Committee were asked to contact as many MHAs as possible and set up meetings on a formal or informal bases, whichever worked. As a Committee we drafted a background paper with a set of key messages that each of us would use when meeting with the MHAs. Again it was and is important that we speak with a common message and objective. To ensure that these key messages were drafted in a format best suited to our overall objective and ensure that they were clear and precise as a message we contracted a consultant to assist us.

The Pension Action Committee also sent out a copy of the Key Messages and background paper to all public sector pensioners in the Association Newsletter. This had as a header a note to members that in the event that a MHA or perspective MHA knocked on their door or bumped into them on the street all of us would be working with a common message regarding the pensioner's position.

We decided that the incorporation of the media would not be a part of our strategy as too often such would become a battle over public support rather than a focused consultation and discussion on the development of a better pension plan.

A number of meetings took place with MHAs from all sides of the House. Support ran from lip service to sincere. However we were able to garner the support of two Cabinet Ministers who are willing to move our cause forward. They believe that pensioners have not been treated fairly in the past and something needs to be done to bring our members into line with the realities of today.

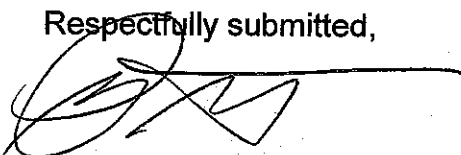
We were quite fortunate in that we were able to get three meetings with the Minister of Finance who has direct responsibility for the Pension Plans. The first meeting was part of a larger Budget Consultation process where we were given a ten minute slot to convince the Minister of his need to take the requirements of the pensioners into consideration as he built his budget. We presented in a room of 20 plus other Association and groups who were lobbying for the same response. When the budget was tabled we realized that that meeting bore no fruit. Our second meeting took place through our Western Branch. As the Minister of Finance is a local MHA in the Corner Brook area it was felt that we had a great window to move the Minister to thinking about our position. This meeting was quite successful and strategic in that it provided the Minister with the update and background knowledge on the pension situation. The third meeting with Minister of Finance included the Chair of the PAC,

the President and Treasurer of the Association and Executive members of the Department of Finance. With the Minister updated from the meeting with Western Branch we decided to go directly to the presentation of a solution. We proposed that the Provincial Government fund a one time payment to up grade the pension benefits of individuals who have borne the burden of the freeze and continue to carry the weight into their pension. This program would be offered on prorated bases determined by the time of retirement. The second part of our proposal was that the Public Sector Pension Plan introduce full indexing tied to the previous year's cost of living or CPI with the indexing commencing the year following the first year of retirement. The current indexing program, which is effective at 65 years of age, would be absorbed into the new plan. While Minister asked a number of questions he did understand our request and agreed that he would have his Department review, cost it out and get back to us in a short time period. Overall the meeting was very positive and I believe that both the Department and the Association are working in the same direction. We look forward to the Department analysis.

As the Pension Action Committee worked on it's mandate over the past year one item came blatantly obvious, this being the lack of creditable inform currently available to the Committee. While research has been done in the past the information is aging and needs to be updated. Therefore as part of my report I am proposing that the Association set up a Pension Action Support Task Group. The objective of this group would be to develop an up-to-date data base with respect to Pension Benefit standards as in place in other Provinces or Companies and maintain the data base. This is not intended to be a standing Committee to be elected each year but rather a resource group answering to the Treasurer as their link to the Executive Committee. This group would provide a stable focused research group tasked with gathering and analyzing data current and relevant to the objective of the Association. The Task Group will report to the Executive Committee of the Association Chaired by the Treasurer and would be comprised of volunteers.

As I am not running for re-election to the Executive Committee I wish to thank the members of the Association for giving me the privilege to serve and I do wish all member the best in the years to come.

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'Anthony W. Patey', written over a horizontal line.

Anthony W. Patey
Chair Pension Action Committee

MEMBER SERVICES COMMITTEE

The Member Services Committee is a special committee of the Association with responsibilities to organize social activities and to offer support services which will benefit its members.

Members of the Social Committee are Tom Cooper, Barbara Stone and Mary Ennis with much support from Maureen Hogan who thoroughly enjoys putting her decorating and efficiency skills into practice for our social events.

Several meetings were held in planning and preparing for the Spring BBQ held at the Shrine Club on Topsail Road and our Christmas Dinner and Dance held at the Knights of Columbus, St. Clare Ave. These two functions are drawing more members each year and members have only compliments to offer about the food, the music by Gary Lawrence and the many prizes that are given out.

In March 2007 a Sick and Bereavement Committee was approved by the Board to do a three month Pilot Project. The objective was to determine if there was a need for such a service and if this was feasible. Tom Cooper, with assistance from Mary and Barbara, took on this task of visiting funeral parlors in the St. John's, Mt. Pearl and Torbay areas. Tom would check the Daily News papers for announcement, have Maureen check our member list and then call the funeral home to verify if this was one of our members. He would then visit the funeral parlor to express sympathy and leave a card on behalf of the association. At the conclusion of this pilot it was recommended to and approved by the Board that the Bereavement Committee continue.

In the upcoming year the committee will decide on the need for visitation to our hospitalized members from outside the St. John's area, who do not have family to visit them. Your suggestions, support and input into this project would be appreciated.

My sincerest thanks to the members of the Social Committee, to Maureen and the Board for their cooperation and support.

Respectfully submitted,



Mary R. Ennis
Chair, Member Services Committee

ORGANIZATIONAL STRUCTURE AND ROLES COMMITTEE

Sharron Callahan, Chair	Wesley Roberts, Western Branch
Ann Bell	Eric Salter
Robert Langdon	William Shallow
John Downton, Association President (ex officio)	

Committee Meetings 2007:

The Organizational Structure and Roles Committee was constituted at the first meeting of the Board following the 2006 AGM, where the matter of the Board Travel Policy had come forward and was referred back to the Board for resolution. It soon became apparent to the Board that in order to address the Travel Policy, we would first need to examine the organizational structure of the Association.

Sharron Callahan was assigned as Chair of the Committee and the Committee membership was completed shortly thereafter. On January 25, 2007, the Board of Directors approved the Terms of Reference. Since January, the Committee has met four times (February 14 & 28, April 17, and May 17). A meeting scheduled for July had to re-scheduled.

Terms of Reference:

The OS&R Committee was struck for the specific purposes of examining the current structure of the Association and the relationship of Regional Branches to the Board of Directors, to consider various governance and organizational theories and structures for possible application to the NPSPA, and to engage the Board and the membership in a determination of the most efficient and effective structure for the NPSPA to meet the needs of its membership for the immediate future.

Following two meetings of the Committee, it was soon recognized that the Terms of Reference for this Committee were very complicated and with the approval of the Board, it was agreed that the Committee would, in the short term, focus on "what the role of the Regional Branches should be, how they function and are supported, and what their relationship should be to the Provincial Board".

Work to Date:

Following clarification of the focus of the work for the Committee, the next meetings (April and May) were spent researching the history of the establishment of Regional Branches, their original purpose, has this purpose been met, has the purpose evolved into something other than the original intent, and is the original intent still relevant to meet the needs of the Associations' membership today.

The Committee has thus far determined that:

- Since the establishment of the association, two Regional Branches have come into existence (Central and Western);
- The establishment of a Central Branch was endorsed by the general membership at the 1999 AGM and in 2000 the Association Constitution was duly amended to provide for Branches of the Association. The Central Branch has since ceased to operate;
- In 2003, a resolution was moved (73 members at a meeting in Corner Brook), seconded and passed to form a Branch of the Association in the Western region. The Western Branch continues as the lone remaining Branch;
- While originally established informally in response to a particular political issue or because of the enthusiasm of the local membership to establish a Branch, Regional Branches derive their authority from Article XVII of the Constitution and over time and for a number of reasons that were probably well-intentioned at the time, the Branches became formalized by having mandated positions, monthly meetings, submission of a budget for operating expenses, etc. The formalization of the Regional Branches was approved on June 28, 2005 when the Provincial Board gave approval to the document Role of Branches;
- Some of the troubling issues for the Provincial Board in its support for Regional Branches have been the number of members per Region, fair and equal representation province-wide, limited Board resources to support Branch operations, in particular financial compensation to travel to meetings, and whether Regional Branches should be a mirror image of the Provincial Board ;
- While the Western Branch has endeavored to fulfill its role, the remainder of the Province has not subscribed to this concept. It is also known that as long as a Branch has strong leadership, the Branch will continue; once that strength in leadership departs, the experience has been that the Branch ceases to operate;
- As an aside, the membership of the Association is currently distributed as follows: Avalon Peninsula: 2,922; Central & Eastern Newfoundland: 1,263; Western Newfoundland: 850; Labrador: 139; other: 582.

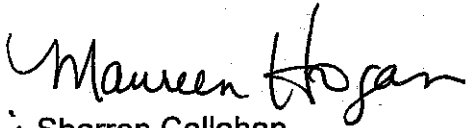
Issues Being Considered by the OS&R Committee:

- Considering the history and experience of the Provincial Board with Regional Branch(s) and how they/it engage(s) with their local membership and for what purpose, one issue under consideration is whether they are needed with such formalized structures as currently exist;
- Also being considered is whether there should be additional re-structuring to

establish less formal "community networks" to ensure that there are more opportunities for local membership engagement;

- Whether some other non-formal structure might better suit the Association; and finally,
- If heightened member engagement in the issues before the Board can be achieved by additional regional representation on the Board and if so, how might this be achieved.

Respectfully submitted,

Maureen Hogan

for: Sharron Callahan
Chair, Organizational Structure & Roles Committee

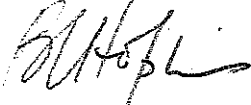
COMMUNICATIONS (NEWSLETTER) COMMITTEE

The Newsletter Committee was set up to provide a means of effective communication with the members of the Association on its objectives, plans and activities, thereby raising its overall profile as an informative publication.

The Newsletter committee is chaired by Barbara Hopkins; Barbara is the Editor and Maureen Hogan, Administrative Assistant is responsible for the layout and design of Newsletter. Maureen is also responsible for the contracting of the production and mail-out to our 5800 members, MHA's and Media.

The Newsletter welcomes comments from the membership. We continue to strive to make the Newsletter a two-way affair.

Respectfully submitted



Barbara Hopkins
Chair, Communications-Newsletter Committee

WESTERN BRANCH

This past year the Western Branch kept busy with a meeting each month along with organizing a Christmas dinner and dance in mid December and a barbecue in mid June.

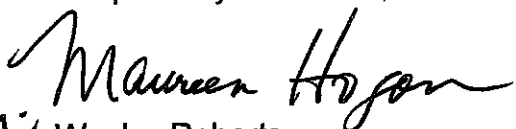
During the year we were saddened by the death of our vice-president Joseph Blanchard. Joe's passing was a great loss to the Association.

Due to personal reasons our past President, Hope Wiseman resigned from the Executive but offered her help to us for any projects that may arise in the future. We thank Hope for her work in the past as our founding president and we expect to avail of her experience in the future.

The two vacancies on our executive were filled by two new members, namely Charles Feltham and Bruce Nichols, both from Pasadena. Helen Gardiner was appointed as Vice-president and the two new members are directors.

Last spring after MHA member Tom Marshall from the Corner Brook area became Minister of Finance we asked for a meeting with him and a committee of four namely, Keith Ambler, Seamus Gibbons, Charles Feltham and myself met with Mr. Marshall and explained our concerns about lack of pension increases and the need for indexing to ensure that pensioners received adequate increases in the future. Our concerns were well received and we expect to see positive results. We also informed him that we were meeting him as constituents of the area and that he deal with our provincial Board in St. John's

Respectfully submitted,


Wesley Roberts
President, Western Branch

GOVERNMENT GROUP INSURANCE/HEALTH COMMITTEE

The major focus of the Government Group Insurance Advisory Committee has been the transfer of the group insurance from Blue Cross to Desjardins. This transfer has involved a number of difficulties that have resulted in many complaints and concerns from plan members who have been negatively affected by this change. However, both Desjardins and the group insurance consultant for our plan, Mercer Human Resources, have been trying hard to rectify problems encountered but Desjardins has been slow in responding to the concerns of the Committee and individual plan members.

One of the major concerns is the inability of the current system to provide direct billing for a number of health services providers such as vision care specialists, chiropractors, physiotherapists and licensed massage therapists. Desjardins had committed to putting this service in place. However, the Committee was informed in May, 2007, that this implementation would be delayed until the last quarter of 2008. In the interim, Desjardins has agreed to set up a phone adjudication service for these health services providers until their permanent adjudication system is put in place.

Another major issue for plan members is the increased fees charged by pharmacists for prescriptions. Pharmacists have indicated that these increases are a result of changes made to their reimbursement by Desjardins. The Committee has directed Desjardins to rectify this situation and to ensure that members are not negatively affected by their reimbursement policies.

The majority of the plan enhancements that were suggested by Committee members were put in place. Members were individually notified of these changes through mail in April, 2007.

The following benefit plan amendments are now in effect:

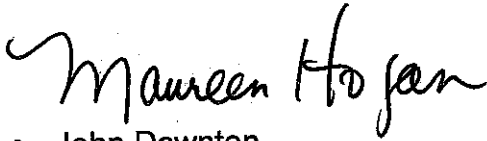
- The maximum amount payable for diabetic supplies, which include insulin pump supplies, is increased to \$ 1580.00.
- Vision care benefits are amended to include tri-focal lens coverage up to 100% of a covered eligible expense of \$225.00, once in every three calendar years.
- Orthopaedic shoes are amended to a maximum eligible covered expense of 80% of \$200.00 every calendar year.
- Hearing aid coverage is amended to a maximum eligible expense of 80% of \$750.00 for each ear in any period of three consecutive calendar years.
- There has also been an adjustment in premiums. Although Desjardins required a 23.6% increase to the health premium, the Committee recommended utilization of surplus funds to reduce the actual premium increase and to help

fund the benefit enhancements noted above for the 2007-2008 period.

- Group life insurance for retirees under the age of 65 was reduced from \$0.0234 per thousand to \$0.144 per thousand.
- Effective January 1, 2007 the amount of the paid up life policy increased from \$5000 to \$7500. This increase applies only to those who are eligible and attain age 65 after January 1, 2007.
- Dental coverage has increased based on the 2005 Newfoundland and Labrador fee guide. The cost of changing to the 2005 fee guide is being paid from surplus funds available for the 2007-2008 policy period.

In conclusion I would like to thank the members of the Health Committee for their work and assistance in reviewing our insurance benefits and making recommendations for improvements to the plan. Committee members are Jeff Young, Jean Chaisson, Eric Salter, Ann Bell, and Florence Power.

Respectfully submitted,



Jpi. John Downton
Government Group Insurance Committee Representative
Chair, Health Committee

GOVERNMENT PENSION INVESTMENT COMMITTEE REPORT

The Pension Investment Committee consists of representatives of the various plan participants and administrators that include: the Unions, Pensioners and the Pension Division of the Department of Finance. It meets monthly (except summer months) and is chaired by Mr. Terry Paddon, Deputy Minister, Department of Finance.

The primary mandate of the committee is limited exclusively to issues related to administration and investment of the Pooled Pension Fund. A number of tasks associated with this mandate are as follows:

1. Monitor overall fund performance with the Plan consultant
2. Review the performance reports as presented by various portfolio managers
3. Establish and periodically fine tune the policy investment asset class strategy mix.
4. Review committee mandate guidelines

The following is the report of the Newfoundland & Labrador Pooled Pension Fund as of December 31, 2006. The Fund is comprised of the Public Service Pension Plan, the Teacher's Pension Plan, the Uniformed Services Pension Plan, the MHA Pension Plan and the Provincial Court Judges Pension Plan.

All Plans have fund balances as follows:

Public Service Pension Plan	\$2,630.5 million
Teacher's Pension Plan	3066.3 million
Uniformed Services Pension Plan	84.1 million
MHA Pension Plan	11.2 million
Provincial Court Judges Plan	2.1 million
Total	\$ 5,794.2 million

The above shows an increase in net fund assets of \$2,588.2 million (80.7%) from the previous year 2005.

As at 31 December 2006, the funds assets were invested as follows:

Canadian Equities	46.7%
Foreign Equities	32.9%
Real Estate	1.6%
Bonds & Debentures	18.8%

During the year, pensions totalling 395.5 million dollars were paid from the Fund and 1,173 refunds totalling 19.1 million dollars.

At year end, there was a net cash inflow of \$1,838.9 million as follows:

	PSPPP (million)	TPP (million)	USPP (million)	MHAPP (million)	PCJPP (million)
Employee/Employer Contributions	160.4	68.1	4.8	0.6	0.3
Special Payments	60.0	1,953.0	20.00	0.0	0.0
Pensions, refunds and administration costs	(198.2)	(214.8)	(15.0)	(0.2)	(0.1)
Net cash inflow	22.2	1,806.3	9.8	0.4	0.2

There were net increases in the number of active employees and pensioners in 2006:

	Active Members	Pensioners
Number, beginning of year	32,376	19,646
Net additions	502	887
Number, end of year	32,878	20,533

The net gain on investments of 749.2 million dollars which is significant and is reflective of the continuing positive capital market returns.

To summarize, again there were two important factors to report:

- The continuing net gains on investments
- The insertion by Government of 1,932 million dollars into the Teachers Plan in 2006 and as of the end of the second quarter of 2007, an additional 982 million dollars into the Public Service Pension Plan. The addition of this money has significantly increased the level of funding of these respective plans and to the overall Pooled Pension Fund. This now brings the nominal investment return since Fund inception to 10.8%

Respectfully submitted,



Eric C. Salter
Government Pension Investment
Committee Representative

TREASURER'S REPORT

The Auditor's Report of the balance sheet of the Association, as of 31 December 2006, a statement of revenue and expenditure for the year ended, and the Auditor's Notes are presented for your review.

As this has been my first year as Treasurer of our Association, I am taking the liberty of presenting the following observations:

Government Relations

It is evident that our Association continued to entertain financial stability in the past fiscal year of 2006 and, in my observation, has made sound progress in establishing a healthy consultative relationship with our employer/pension partner, the Government of Newfoundland and Labrador. This positive relationship is paramount to the success of our current and upcoming presentations to government in such areas of concern as pension increases including indexing and other financial benefits.

Membership Revenue

Membership revenues continue to be generally constant during recent years although the number of public servants entering into the PSPP appears to have increased significantly during the past 10 years or so. This increase in numbers primarily reflects the significant number of public service career baby-boomers who have, or are, reaching minimum retirement age.

Therefore, it is suggested that our Association develop and embark upon an active and aggressive membership campaign to motivate pension non-members to join their Association, and equally important, to encourage their active participation in the business of the Association. The knowledge and abilities of the Newfoundland and Labrador Pensioners are second to none to any large pension plan, private or public, in our province and with an active input of the collective talents and wisdom of it's existing and potential membership, our Association can and will be seen as a serious presence in the eyes of our pension partner, the Government. of Newfoundland and Labrador.

It has indeed been an honor for me to be given the opportunity to serve in this office for the past year, to be an active member of our Board and to serve as a member of the Executive Committee. I wish to acknowledge our Administrative Assistant, Maureen Hogan, whose attention to our financial records, her advisory role in our financial management and overall pleasant support has truly made my term in office enjoyable.

Respectfully submitted


Cecil E. Templeman, Treasurer

FINANCE COMMITTEE REPORT

The Finance Committee is responsible for overseeing the Association's financial management and for advising the Board on all related matters.

As in the past, the committee is responsible for ensuring that proper and acceptable accounting control procedures are in place, that record keeping is maintained in a timely and acceptable manner and financial statements are provided to the Board in a timely and detailed nature to assist the board to make meaningful financial decisions.

The following steps were taken to accomplish our Committee's mandate:

The preparation of timely budgetary projections of our revenue and expenditure for the 2006 fiscal year. As an established procedure, the previous year's fiscal year is included in this Annual Report.

Detailed monthly financial statements reflecting all of the Association's revenue and expenses were presented, at all regular meetings of the Board, for appropriate review and approval.

The Committee is pleased to report to the membership that the financial position of the Association continues to be viable with our investment portfolio being managed in a timely and prudent manner in order to maximize financial gain and security.

Respectfully submitted



Cecil Templeman
Chair, Finance Committee

GERALD MURPHY, CGA
CERTIFIED GENERAL ACCOUNTANT

AUDITOR'S REPORT

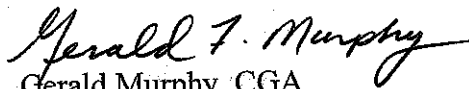
To the Board of Directors of the Newfoundland and Labrador Public Sector Pensioners' Association.

I have audited the balance sheet of the Newfoundland and Labrador Public Sector Pensioners' Association as at December 31, 2006 and the statement of revenue and expenditure for the year then ended. These financial statements are the responsibility of the association's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these statements present fairly, in all material respects the financial position of the Newfoundland and Labrador Public Sector Pensioners' Association as at December 31, 2006 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

St. John's, Newfoundland
September 10, 2007


Gerald Murphy, CGA
Certified General Accountant

**NEWFOUNDLAND AND LABRADOR PUBLIC SECTOR
PENSIONERS' ASSOCIATION
BALANCE SHEET
DECEMBER 31, 2006**

ASSETS

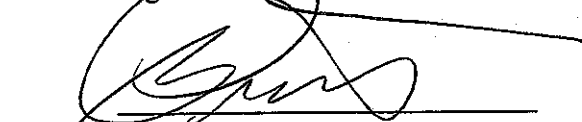
CURRENT	<u>2006</u>	<u>2005</u>
Cash	\$ 17,804	\$ 9,286
Investments (Note 3)	51,275	50,000
Interest Receivable	<u>1,260</u>	<u>639</u>
	70,339	59,925
 CAPITAL (Note 2)		
Office furniture and equipment	<u>3,500</u>	<u>3,500</u>
 TOTAL ASSETS	 <u><u>\$73,839</u></u>	 <u><u>\$63,425</u></u>


EQUITY

Members Equity	\$70,339	\$59,925
Investment in capital assets	<u>3,500</u>	<u>3,500</u>
	<u><u>\$73,839</u></u>	<u><u>63,425</u></u>

Commitment - (Note 4)

Signed on behalf of the Association


John Downton
President


Cecil Templeman
Treasurer

**NEWFOUNDLAND AND LABRADOR PUBLIC SECTOR
PENSIONERS' ASSOCIATION
STATEMENT OF REVENUE AND EXPENDITURE
YEAR ENDED DECEMBER 31, 2006**

REVENUE	Actual 2006	Budget 2006	Actual 2005
Membership fees	\$65,441	\$64,200	\$63,879
Partnership/Advertising	1,030	500	760
Barbecue	905	1,200	1,113
Christmas Dinner/Dance	2,125	2,200	2,265
Interest	1,627	2,500	948
AGM Revenue	<u>990</u>	<u>1,400</u>	<u>900</u>
	72,118	72,000	69,865
 EXPENDITURE			
Salaries and benefits	24,100	24,500	23,556
Rent	6,870	6,900	6,900
Postage	8,415	9,200	8,465
Printing	594	1,420	1,119
Office supplies and services	3,751	5,200	6,159
Telephone	3,228	3,500	3,230
Professional Services	342	3,000	345
Annual General Meeting	2,652	3,050	3,126
Insurance	3,719	2,500	1,862
Travel	1,864	2,500	1,966
Business tax	533	550	533
Christmas Dinner/Dance	2,333	3,500	2,541
Barbecue Expense	1,290	1,600	1,472
Socials	259	200	-
Branches	1,280	2,280	-
Public Relations	-	500	-
Other Meetings	<u>474</u>	<u>600</u>	<u>-</u>
	61,704	72,000	61,274
 Excess of revenue over expenditure	10,414	-	8,591
 Equity - beginning of year	<u>59,925</u>	<u>59,925</u>	<u>51,334</u>
end of year	<u>\$ 70,339</u>	<u>\$ 59,925</u>	<u>\$59,925</u>

NEWFOUNDLAND AND LABRADOR PUBLIC SECTOR PENSIONERS' ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2006

1. Organization

The Association was incorporated under the Corporation Act of the Province of Newfoundland on December 29, 1994 as a not-for-profit organization with the overall objective of advocating on behalf of its members who are retired provincial public sector employees.

2. Significant accounting policy

The cost of office furniture and equipment is expensed in the year of purchase. Asset value at year-end is approximately \$3,500.

3. Investments

Investments are comprised of bank guaranteed investment certificates as follows:

ISSUED	AMOUNT	RATE	MATURITY	MATURITY VALUE
38789	\$35,000	4.10%	39,520	\$37,933
38959	16275	2.96%	39,324	\$16,758
	<u>\$51,275</u>			<u>\$54,691</u>

4. Commitment

The Association is committed to annual lease payments of \$6,840 for office space, totaling \$15,960 until April 30, 2009.