

Benefits Canada at 40: THE EVOLUTION OF DB

While plan assets have grown significantly since Benefits Canada's first top pension funds report in 1980, some organizations are finding new ways to inject life into the defined benefit space.

By **Michael McKiernan**

Jim Keohane couldn't help but laugh when he recently got his hands on a copy of the 1975 annual report for the Ontario Hospital Association's pension plan.

The plan, an ancestor of the Healthcare of Ontario Pension Plan that Keohane now leads, dated back to 1960 and had accumulated total assets of about \$300 million by the mid-1970s, according to the document.

"Now, we get some days where our assets fluctuate by more than \$300 million," says Keohane, HOOPP's president and chief executive officer, whose current assets total more than \$70 billion. "So it's a fairly different world we operate in."

The intervening four decades have seen HOOPP become a key proponent of the so-called Canadian model of defined benefit pension management: massive jointly sponsored plans with multiple participating employers that operate independently and control their investment strategy in-house. HOOPP's 510 employers have more than 300,000 members in the plan.

"We have the scale now that allows us to run everything internally and enables us to access asset classes that are out of reach to smaller funds," says Keohane. "It also means our costs are very low."

'Eventful' period for DB

With *Benefits Canada* marking its 40th anniversary this year, it's also an opportune time to look at the various ways the industry has changed since the publication's beginnings in the 1970s. When it comes to defined benefit pension plans, there's an interesting divergence at play.

"The last 40 years have probably been the most eventful in the history of defined benefit pensions," says Hugh O'Reilly, chief executive officer of OPSEU Pension Trust, another jointly sponsored behemoth with \$19 billion in assets. "Plans like ours have transformed from being essentially pay as you go into sophisticated investors with worldwide footprints. What's coming in the next 40 years is going to be just as exciting," he says.

"On the other side, we have seen a diminishment in DB coverage. That's a worry, because it's going to make it difficult for people to maintain an adequate standard of living after they retire," he adds.

When *Benefits Canada* rolled off the press for the first time in 1977, defined benefit pension plans covered almost 50 per cent of employed men and around 35 per cent of women, according to Statistics Canada.

By 2011, the proportion of men with defined benefit plans had halved to 24.3 per cent, while a less spectacular decline among women took them to 32.6 per cent.

Despite the falling coverage rates

and the increasing prevalence of defined contribution plans, there are still signs that the defined benefit arena remains strong.

Willis Towers Watson's 2017 global pension assets study recently revealed that the overwhelming majority of assets in Canadian pension plans, 95 per cent, remain in defined benefit arrangements. That compares to just five per cent allocated to defined contribution plans. The split has hardly budged in the decade since 2006, when the same report found 97 per cent of assets were in defined benefit plans.

Ofelia Isabel, a global account director at Willis Towers Watson, says those numbers don't tell the full picture.

"DB plans have been around much longer, so they've had time to accumulate assets, while newer DC ones haven't had enough time to catch up," she says.

In addition, she says defined benefit assets are counted for longer, since they remain in plans long after members retire and begin collecting them. Even long-closed or suspended funds continue accruing value for existing members. By comparison, members typically withdraw their defined contribution funds on retirement, at which point they no longer count towards the total assets.

Public sector dominance

Canada's large public sector workforce, which is generally part of the outsized defined benefit pension funds at the top of the list of the biggest plans, is also

responsible for skewing the numbers. But Malcolm Hamilton, a senior fellow at the C.D. Howe Institute who spent most of his 40-year career as an actuary at Mercer, says he expects the defined benefit proportion of pension assets to slowly come down over the next decade or so as the numbers more fully reflect past changes.

“For my entire career, DB plans have been on the decline in the private sector, where they have been replaced primarily by DC plans. We’re down to a tiny proportion of workers in the private sector who have a DB plan,” he says. “The drivers in each decade were different, but the direction was always the same.”

In the 1980s, according to Hamilton, the launch of the first wave of active government regulation of defined benefit pensions made it harder for smaller- and medium-sized employers to justify the cost of running their own plans.

The following decade saw disputes over the ownership of surpluses in pension coffers, while ambitious tax reforms further boosted the regulatory burden on private sector employers, says Hamilton.

Since the turn of the 21st century, surpluses have rarely been a concern, with perennially low interest rates putting pressure on employers to maintain the funding ratios of their plans.

Despite some relief measures by governments, most Canadian jurisdictions require plan sponsors to value their assets on a

“We’re down to a tiny proportion of workers in the private sector who have a DB plan. . . . The bottom line is low interest rates have made funding a DB plan a very expensive undertaking.”

solvency basis, as if the plan were to wind up on the valuation date. Sponsors then need to cover any shortfall with special payments amortized over a five-year period. “The bottom line is low interest rates have made funding a DB plan a very expensive undertaking,” says Hamilton.

An uptick in solvency ratios

After several years verging on crisis, 2016 actually proved a good year for plan solvency thanks to the strong performance of the equity and capital markets, according to William da Silva, retirement practice director at Aon Hewitt in Toronto.

Earlier this year, the median solvency ratio among the firm’s Canadian clients hit 96.7 per cent, a huge improvement over the same time last year, when it stood at just over 83 per cent. In addition, almost 40 per cent of plans in Aon Hewitt’s database finished the first quarter of 2017 in a fully funded position.

But rather than sparking a rush back to the defined benefit world, da Silva says employers that previously suspended or closed their plans to new members

are using the current rosy outlook to head for the exits. A spike in interest rates has reduced the price of de-risking options that allow plan sponsors to wash their hands of a chunk of their pension liabilities by, for example, purchasing annuities. Others are considering winding up their plans altogether.

“Windup is still a heavily regulated administrative process, with a lot of money involved. But with solvency ratios the way they are, it doesn’t look nearly as onerous as it did five years ago,” says da Silva, noting that another interest rate spike in the near future could accelerate the trend.

Brent Simmons, senior managing director for defined benefit solutions at Sun Life Financial, says the annuity market for Canadian pensions has grown substantially over the last four years, hitting \$2.7 billion in 2016. But for 2017, his company has forecast the market could almost double again, to as high as \$5 billion as plan sponsors act on what he calls their “regret risk.”

“The last 20 years have been a bit of a roller coaster for solvency ratios, and

“The last 20 years have been a bit of a roller coaster for solvency ratios, and they’ve been underwater for most of that time. Sponsors fear that if they don’t get off the ride now, they may regret it in the future.”

they’ve been underwater for most of that time. Sponsors fear that if they don’t get off the ride now, they may regret it in the future,” says Simmons. “Buying an annuity allows them to transfer the risk to an insurance company. It smooths out the bumps and makes their costs more predictable, so they can focus on the core business.”

In Quebec, the funding ratios of the province’s defined benefit plans received extra reinforcement, thanks to the switch to the less onerous going-concern standard for funding valuations, which smooths short-term volatility by assuming a plan will continue indefinitely. In May, Ontario followed suit, to a large degree, with a plan under which defined benefit pension plans will have to fund

themselves on a solvency basis only if their funded status falls below 85 per cent.

Julien Ranger, a partner at Osler Hoskin & Harcourt LLP, says employers and unions have been happy with the stabilizing effect of the Quebec reforms.

“Whether it achieves its other, longer-term objective, which is to maintain the number of DB plans in Quebec to curb the transition to DC, is still unclear,” says Ranger. “We’ll see when interest rates start to go up, whether sponsors decide to remain in DB, or if they annuitize and move out.”

New signs of life

Outside of Quebec, some organizations are taking action to arrest and possibly

even reverse the widespread migration to defined contribution plans. The Canada Mortgage and Housing Corp. has approved a new defined benefit plan design to take effect next year for all employees, despite previously closing its old version. Since 2013, new hires were only eligible to join a defined contribution plan. The new defined benefit plan, however, will cover everyone.

Elsewhere, Nova Scotia’s Public Service Superannuation Plan Trustee Inc. launched a membership growth strategy in 2013 that has seen the fund add more than 1,200 new members, mostly from smaller, less efficient defined benefit plans at universities around the province. However, the most recent new additions were 200 Cape Breton University employees who transferred out of their existing defined contribution plans.

The organization “believes that a large, well-managed, robustly funded DB plan, such as the [public service plan], presents an attractive alternative to some public sector employers with existing DC plans,” said plan spokesperson Gisèle Taylor, adding that talks are underway

with more potential partners.

Derek Dobson, the chief executive officer of the Colleges of Applied Arts and Technology Pension Plan, wants to go one step further by bringing other public and private sector employers onboard. Last year, a merger with the Royal Ontario Museum's plan added 640 new members, and Dobson hopes to grow even further by attracting employers with existing defined benefit or defined contribution plans or no plan at all.

"We want to stem the conversion to DC for the wrong reasons and we've had interest from employers who had switched to DC but aren't getting what they had hoped out of it," he says.

"We have shown there are other alternatives coming to market and, as awareness grows, I think this type of solution will be very appealing to employers across the country."

Although Joe Nunes, president of Actuarial Solutions Inc., has doubts about Dobson's approach, he says the long-term survival of defined benefit pensions may depend on convincing non-public sponsors to stick with the idea.

"I'm skeptical that making larger and larger plans will continue to reap additional economies of scale. If that were true, then why not just merge all the government DB plans into a single entity?" says Nunes.

"What I have been saying for 20 years is that the government ought to be wary about the fact that they're driving the private sector out of the DB pension business, because I would expect that taxpayers are going to be less and less tolerant of supporting those kinds of benefits when they can't possibly hope to enjoy them in the private sector."

The perils of pension polarization

When *Benefits Canada* ran its inaugural top pension plans feature in 1980, it listed just 20 plans, with Canadian National Railway Co. coming out on top thanks to its \$2.5 billion in pension assets. Private sector plans filled more than half of the remaining spots on the list.


And while the top fund this year boasts an inflation-busting \$175 billion in assets, the Ontario Teachers' Pension

Plan sits atop a list dominated by public sector plans.

Fred Vettese, chief actuary at Morneau Shepell Ltd., believes the shift to defined contribution pensions is irreversible, at least in the private sector. However, he's uncomfortable with the increasing polarization, since he says accounting rules used by public sector plans don't account for the full cost of guaranteeing defined benefit pensions.

"In the civil service, about 20 per cent of the payroll is going into plans, but with interest rates as they stand, the full cost of guaranteeing an indexed pension for life is more like 40 per cent," he says.

If taxpayer dissent becomes vocal enough in the long term, Vettese says some provinces may adopt target-benefit plans for the public sector, following the lead of New Brunswick's shared-risk approach. Hamilton agrees that target-benefit plans are the way to go for the public sector.

"It'll probably take another 40 years for us to get there," he says. 

Michael McKiernan is a freelance writer based in St. Catharines, Ont.

TOP 10 | FASTEST GROWING PENSION FUNDS (%)

ASSETS (MILLIONS) AS OF DEC. 31, 2016

Company	2016 Pension Assets	2015 Pension Assets	Variance
1 Régime de retraite du personnel des CPE et des garderies privées conventionnées du Québec	\$2,134.0	\$1,863.8	↑14.5%
2 Sobeys Inc.	\$2,087.0	\$1,846.3	↑13.0%
3 Ontario Municipal Employees Retirement System	\$85,200.0	\$77,000.0	↑10.65%
4 Alberta Teachers' Retirement Fund Board	\$13,361.4	\$12,080.7	↑10.60%
5 Labourers' Pension Fund of Central and Eastern Canada	\$5,966.7	\$5,398.9	↑10.5%
6 Healthcare of Ontario Pension Plan	\$70,359.0	\$63,924.0	↑10.1%
7 Alberta - Local Authorities Pension Plan	\$37,652.5	\$34,305.8	↑9.8%
8 Saskatchewan Municipal Employees' Pension Plan	\$2,285.4	\$2,091.4	↑9.28%
9 Colleges of Applied Arts & Technology Pension Plan	\$9,388.2	\$8,592.0	↑9.27%
10 Alberta - Public Service Pension Plan	\$11,886.6	\$10,899.9	↑9.1%

Source: Figures in the report are based on the top 100 plans participating in the 2017 Canadian Institutional Investment Network pension fund survey or annual reports. The table encapsulates organic growth, new mandates and returns, not growth due to mergers and acquisitions.

TOP 100 PENSION FUNDS

TOTAL PENSION ASSETS (MILLIONS) ARE REPORTED AS OF DEC. 31, 2016, UNLESS OTHERWISE INDICATED

PA = Pension Assets ↑↓ Indicates an increase or decrease in total pension assets from 2015

ONTARIO TEACHERS' PENSION PLAN 1 Rank 2015: 1 ↑2.3% 2016 PA: \$172,082.0 2015 PA: \$168,246.0	B.C. PUBLIC SERVICE PENSION PLAN 8 Rank 2015: 8 ↑4.5% 2016 PA: \$28,309.5 2015 PA: \$27,086.2	QUEBEC CONSTRUCTION INDUSTRY* 15 Rank 2015: 15 ↑6.6% 2016 PA: \$20,688.5 2015 PA: \$19,401.4	ROYAL BANK OF CANADA* 22 Rank 2015: 23 ↑5.1% 2016 PA: \$12,178.1 2015 PA: \$11,589.8	TELUS CORP. PENSION PLAN 29 Rank 2015: 27 ↑2.7% 2016 PA: \$8,873.0 2015 PA: \$8,641.0	HYDRO ONE 36 Rank 2015: 33 ↑2.1% 2016 PA: \$6,874.0 2015 PA: \$6,731.0	SCOTIABANK GROUP MASTER TRUST FUND 43 Rank 2015: 46 ↑8.5% 2016 PA: \$6,233.5 2015 PA: \$5,742.8	BOMBARDIER TRUST (CANADA) 50 Rank 2015: 49 ↑6.0% 2016 PA: \$5,744.5 2015 PA: \$5,419.0	TD BANK GROUP - PENSION FUND SOCIETY 57 Rank 2015: 57 ↑3.4% 2016 PA: \$4,789.0 2015 PA: \$4,631.0	ENBRIDGE INC.* 64 Rank 2015: 89 ↑6.5% 2016 PA: \$4,280.0 2015 PA: \$4,020.1
ONTARIO MUNICIPAL EMPLOYEES RETIREMENT SYSTEM 2 Rank 2015: 3 ↑10.6% 2016 PA: \$85,200.0 2015 PA: \$77,000.0	B.C. TEACHERS PENSION FUND 9 Rank 2015: 9 ↑4.4% 2016 PA: \$25,519.4 2015 PA: \$24,444.6	OPSEU PENSION TRUST 16 Rank 2015: 16 ↑3.5% 2016 PA: \$19,045.0 2015 PA: \$18,399.0	CANADIAN PACIFIC RAILWAY 23 Rank 2015: 20 ↓0.8% 2016 PA: \$12,083.0 2015 PA: \$12,181.0	ROYAL CANADIAN MOUNTED POLICE PENSION PLAN 30 Rank 2015: 30 ↑5.0% 2016 PA: \$8,483.0 2015 PA: \$8,076.0	IMPERIAL OIL LTD. 37 Rank 2015: 34 ↑0.7% 2016 PA: \$6,670.0 2015 PA: \$6,625.0	TEACHERS' RETIREMENT ALLOWANCES FUND BOARD (MANITOBA) 44 Rank 2015: 40 ↑4.1% 2016 PA: \$6,196.0 2015 PA: \$5,951.2	NEW BRUNSWICK TEACHERS' PENSION PLAN 51 Rank 2015: 51 ↑3.1% 2016 PA: \$5,484.3 2015 PA: \$5,320.1	SASKATCHEWAN TEACHERS' RETIREMENT PLAN 58 Rank 2015: 59 ↑8.4% 2016 PA: \$4,757.6 2015 PA: \$4,390.2	SUNCOR ENERGY INC. 65 Rank 2015: 64 ↑5.1% 2016 PA: \$4,271.5 2015 PA: \$4,064.6
PUBLIC SERVICE PENSION PLAN (FEDERAL) 3 Rank 2015: 2 ↑4.1% 2016 PA: \$84,723.0 2015 PA: \$81,348.0	ONTARIO PENSION BOARD 10 Rank 2015: 10 ↑5.7% 2016 PA: \$24,349.1 2015 PA: \$23,045.9	AIR CANADA PENSION INVESTMENTS 17 Rank 2015: 18 ↑6.1% 2016 PA: \$18,037.0 2015 PA: \$17,000.0	ALBERTA - PUBLIC SERVICE PENSION PLAN 24 Rank 2015: 24 ↑9.1% 2016 PA: \$11,886.6 2015 PA: \$10,899.9	CITY OF MONTREAL¹ 31 Rank 2015: 45 ↑37.4% 2016 PA: \$7,900.6 2015 PA: \$5,748.0	CANADIAN BROADCASTING CORP. PENSION PLAN 38 Rank 2015: 36 ↑1.8% 2016 PA: \$6,578.5 2015 PA: \$6,464.9	TORONTO TRANSIT COMMISSION 45 Rank 2015: 43 ↑5.6% 2016 PA: \$6,135.8 2015 PA: \$5,809.9	ABRPPVM - MONTREAL POLICE PENSION FUND 52 Rank 2015: 52 ↑6.3% 2016 PA: \$5,426.0 2015 PA: \$5,105.0	ALBERTA - MANAGEMENT EMPLOYEES PENSION PLAN 59 Rank 2015: 60 ↑6.8% 2016 PA: \$4,606.3 2015 PA: \$4,314.3	CO-OPERATIVE SUPERANNUATION SOCIETY PENSION PLAN* 66 Rank 2015: 65 ↑0.1% 2016 PA: \$4,254.9 2015 PA: \$4,252.7
HEALTHCARE OF ONTARIO PENSION PLAN 4 Rank 2015: 4 ↑10.1% 2016 PA: \$70,359.0 2015 PA: \$63,924.0	CANADA POST CORP.* 11 Rank 2015: 13 ↑5.4% 2016 PA: \$23,117.0 2015 PA: \$21,937.0	CANADIAN NATIONAL RAILWAY CO. 18 Rank 2015: 17 ↓0.6% 2016 PA: \$17,591.0 2015 PA: \$17,704.0	RÉGIME DE RENTES DU MOUVEMENT DESJARDINS 25 Rank 2015: 25 ↑7.6% 2016 PA: \$11,431.4 2015 PA: \$10,622.4	NEW BRUNSWICK PUBLIC SERVICE SHARED RISK PLAN TRUST 32 Rank 2015: 31 ↑4.4% 2016 PA: \$7,215.4 2015 PA: \$6,910.9	THE WINNIPEG CIVIC EMPLOYEES' BENEFITS PROGRAM 39 Rank 2015: 39 ↑6.3% 2016 PA: \$6,410.9 2015 PA: \$6,033.5	NEWFOUNDLAND AND LABRADOR PUBLIC SERVICE PENSION PLAN FUND 46 Rank 2015: 47 ↑8.2% 2016 PA: \$6,128.9 2015 PA: \$5,663.4	SHELL CANADA LTD.² 53 Rank 2015: 54 ↑5.4% 2016 PA: \$5,329.0 2015 PA: \$5,056.0	MONTREAL TRANSIT CORP. 60 Rank 2015: 58 ↑3.6% 2016 PA: \$4,595.0 2015 PA: \$4,436.5	IBM CANADA LTD. 67 Rank 2015: 66 ↑1.3% 2016 PA: \$4,014.0 2015 PA: \$3,964.0
GOVERNMENT AND PUBLIC EMPLOYEES RETIREMENT PLAN 5 Rank 2015: 5 ↑6.2% 2016 PA: \$63,604.3 2015 PA: \$59,877.7	HYDRO-QUÉBEC 12 Rank 2015: 11 ↑3.1% 2016 PA: \$22,935.0 2015 PA: \$22,243.0	ONTARIO POWER GENERATION INC. 19 Rank 2015: 19 ↑2.6% 2016 PA: \$13,410.0 2015 PA: \$13,072.0	RÉGIME DE RETRAITE DU PERSONNEL D'ENCADREMENT 26 Rank 2015: 26 ↑5.6% 2016 PA: \$11,011.7 2015 PA: \$10,426.8	NOVA SCOTIA HEALTH EMPLOYEES' PENSION PLAN 33 Rank 2015: 35 ↑8.2% 2016 PA: \$7,146.0 2015 PA: \$6,603.5	SASKATCHEWAN HEALTHCARE EMPLOYEES' PENSION PLAN 40 Rank 2015: 41 ↑7.5% 2016 PA: \$6,365.8 2015 PA: \$5,922.2	BANK OF MONTREAL 47 Rank 2015: 44 ↑4.0% 2016 PA: \$6,014.0 2015 PA: \$5,781.0	NAV CANADA 54 Rank 2015: 53 ↑3.5% 2016 PA: \$5,281.2 2015 PA: \$5,103.4	B.C. COLLEGE PENSION FUND 61 Rank 2015: 62 ↑5.6% 2016 PA: \$4,436.1 2015 PA: \$4,202.3	UNIVERSITY OF QUÉBEC 68 Rank 2015: 68 ↑7.4% 2016 PA: \$3,900.5 2015 PA: \$3,630.1
B.C. MUNICIPAL PENSION FUND 6 Rank 2015: 6 ↑6.0% 2016 PA: \$46,319.6 2015 PA: \$43,678.8	CANADIAN FORCES PENSION PLAN 13 Rank 2015: 12 ↑0.0% 2016 PA: \$21,999.0 2015 PA: \$21,991.0	ALBERTA TEACHERS' RETIREMENT FUND BOARD 20 Rank 2015: 21 ↑10.6% 2016 PA: \$13,361.4 2015 PA: \$12,080.7	COLLEGES OF APPLIED ARTS & TECHNOLOGY PENSION PLAN 27 Rank 2015: 28 ↑9.3% 2016 PA: \$9,388.2 2015 PA: \$8,592.0	THE CIVIL SERVICE SUPERANNUATION BOARD 34 Rank 2015: 32 ↑2.8% 2016 PA: \$7,090.0 2015 PA: \$6,898.4	CANADIAN IMPERIAL BANK OF COMMERCE 41 Rank 2015: 42 ↑6.2% 2016 PA: \$6,282.6 2015 PA: \$5,918.1	LABOURERS' PENSION FUND OF CENTRAL AND EASTERN CANADA 48 Rank 2015: 50 ↑10.5% 2016 PA: \$5,966.7 2015 PA: \$5,398.9	NOVA SCOTIA TEACHERS' PENSION FUND 55 Rank 2015: 56 ↑3.6% 2016 PA: \$4,889.5 2015 PA: \$4,717.5	UNIVERSITY OF TORONTO 62 Rank 2015: 63 ↑8.1% 2016 PA: \$4,414.0 2015 PA: \$4,081.5	PULP & PAPER INDUSTRY PENSION PLAN 69 Rank 2015: 67 ↑2.0% 2016 PA: \$3,847.9 2015 PA: \$3,771.8
ALBERTA - LOCAL AUTHORITIES PENSION PLAN 7 Rank 2015: 7 ↑9.8% 2016 PA: \$37,652.5 2015 PA: \$34,305.8	BCE MASTER TRUST FUND 14 Rank 2015: 14 ↑1.6% 2016 PA: \$20,843.0 2015 PA: \$20,510.0	GENERAL MOTORS OF CANADA LTD.³ 21 Rank 2015: 22 ↑5.4% 2016 PA: \$12,437.2 2015 PA: \$11,800.0	THE PUBLIC EMPLOYEES PENSION PLAN (SASKATCHEWAN) 28 Rank 2015: 29 ↑6.1% 2016 PA: \$8,967.4 2015 PA: \$8,451.0	HEALTHCARE EMPLOYEES' PENSION PLAN (MANITOBA) 35 Rank 2015: 37 ↑7.7% 2016 PA: \$6,956.0 2015 PA: \$6,458.0	RIO TINTO ALCAN INC.* 42 Rank 2015: 38 ↑2.2% 2016 PA: \$6,277.0 2015 PA: \$6,143.0	NOVA SCOTIA PUBLIC SERVICE SUPERANNUATION FUND 49 Rank 2015: 48 ↑5.5% 2016 PA: \$5,861.9 2015 PA: \$5,557.7	RESOLUTE FP CANADA INC 56 Rank 2015: 55 ↓1.4% 2016 PA: \$4,824.0 2015 PA: \$4,893.7	TELECOMMUNICATION WORKERS PENSION PLAN 63 Rank 2015: 61 ↑0.8% 2016 PA: \$4,317.7 2015 PA: \$4,283.7	NATIONAL BANK OF CANADA 70 Rank 2015: 72 ↑7.2% 2016 PA: \$3,776.0 2015 PA: \$3,521.0

TOP 100 PENSION FUNDS

UNIVERSITY OF MONTREAL*	71
Rank 2015: 69 ↑2.9%	
2016 PA: \$3,737.9	
2015 PA: \$3,633.7	

IWA-FOREST INDUSTRY PENSION PLAN	72
Rank 2015: 70 ↑3.2%	
2016 PA: \$3,673.0	
2015 PA: \$3,557.6	

B.C. HYDRO & POWER AUTHORITY PENSION FUND	73
Rank 2015: 74 ↑4.2%	
2016 PA: \$3,379.5	
2015 PA: \$3,243.9	

U. S. STEEL CANADA INC.^	74
Rank 2015: 78 ↑5.4%	
2016 PA: \$3,234.3	
2015 PA: \$3,068.6	

TRANSCANADA CORP.²	75
Rank 2015: 88 ↑23.8%	
2016 PA: \$3,208.0	
2015 PA: \$2,591.0	

PROVINCE OF NEWFOUNDLAND AND LABRADOR POOLED PENSION FUND	76
Rank 2015: 76 ↓-1.7%	
2016 PA: \$3,146.9	
2015 PA: \$3,201.2	

GLENCORE CANADA	77
Rank 2015: 75 ↓-2.2%	
2016 PA: \$3,141.4	
2015 PA: \$3,211.0	

MANULIFE FINANCIAL	78
Rank 2015: 86 ↑15.9%	
2016 PA: \$3,037.0	
2015 PA: \$2,621.0	

GREAT-WEST LIFE ASSURANCE CO.	79
Rank 2015: 79 ↑0.5%	
2016 PA: \$3,034.0	
2015 PA: \$3,018.7	

TECK RESOURCES LTD.*³	80
Rank 2015: 80 ↑2.8%	
2016 PA: \$3,028.6	
2015 PA: \$2,945.9	

CANADIAN UTILITIES LTD. PENSION PLAN	81
Rank 2015: 81 ↑2.3%	
2016 PA: \$2,974.3	
2015 PA: \$2,907.8	

LAVAL UNIVERSITY	82
Rank 2015: 82 ↑3.6%	
2016 PA: \$2,958.6	
2015 PA: \$2,854.5	

WORKPLACE SAFETY & INSURANCE BOARD EMPLOYEES PENSION PLAN*	83
Rank 2015: 83 ↑6.5%	
2016 PA: \$2,937.0	
2015 PA: \$2,757.0	

SYNCRUDE CANADA LTD.	84
Rank 2015: 87 ↑8.5%	
2016 PA: \$2,833.0	
2015 PA: \$2,612.0	

GEORGE WESTON LTD.	85
Rank 2015: 77 ↓-9.0%	
2016 PA: \$2,804.6	
2015 PA: \$3,083.2	

PROVINCE OF PRINCE EDWARD ISLAND	86
Rank 2015: 84 ↑3.4%	
2016 PA: \$2,767.0	
2015 PA: \$2,675.1	

PRATT & WHITNEY CANADA	87
Rank 2015: 85 ↑3.5%	
2016 PA: \$2,717.4	
2015 PA: \$2,626.5	

ALBERTA - SPECIAL FORCES PENSION PLAN	88
Rank 2015: 90 ↑7.4%	
2016 PA: \$2,597.3	
2015 PA: \$2,417.6	

MTS INC.*	89
Rank 2015: 106 ↓-2.8%	
2016 PA: \$2,575.5	
2015 PA: \$2,649.7	

ARCELORMITTAL DOFASCO	90
Rank 2015: 92 ↑7.4%	
2016 PA: \$2,354.0	
2015 PA: \$2,192.8	

YORK UNIVERSITY	91
Rank 2015: 93 ↑7.0%	
2016 PA: \$2,316.8	
2015 PA: \$2,165.0	

SASKATCHEWAN MUNICIPAL EMPLOYEES' PENSION PLAN	92
Rank 2015: 95 ↑9.3%	
2016 PA: \$2,285.4	
2015 PA: \$2,091.4	

CANADIAN COMMERCIAL WORKERS INDUSTRY PENSION PLAN	93
Rank 2015: 94 ↑5.7%	
2016 PA: \$2,276.8	
2015 PA: \$2,153.8	

VIA RAIL CANADA INC.	94
Rank 2015: 91 ↑1.9%	
2016 PA: \$2,245.3	
2015 PA: \$2,204.3	

SUN LIFE ASSURANCE CO. OF CANADA	95
Rank 2015: 96 ↑8.1%	
2016 PA: \$2,244.4	
2015 PA: \$2,075.9	

RÉGIMES DE RETRAITE DE LA VILLE DE QUÉBEC⁴	96
Rank 2015: 98 ↑5.3%	
2016 PA: \$2,151.6	
2015 PA: \$2,043.3	

UNIVERSITY OF BRITISH COLUMBIA FACULTY PENSION PLAN	97
Rank 2015: 100 ↑6.5%	
2016 PA: \$2,139.0	
2015 PA: \$2,009.2	

RÉGIME DE RETRAITE DU PERSONNEL DES CPE ET DES GARDERIES PRIVÉES CONVENTIONNÉES DU QUÉBEC	98
Rank 2015: 103 ↑14.5%	
2016 PA: \$2,134.0	
2015 PA: \$1,863.8	

UNITED FOOD AND COMMERCIAL WORKERS UNION PENSION PLAN	99
Rank 2015: 97 ↑3.0%	
2016 PA: \$2,122.4	
2015 PA: \$2,061.0	

SOBEYS INC.	100
Rank 2015: 104 ↑13.0%	
2016 PA: \$2,087.0	
2015 PA: \$1,846.3	

2016 TOP 100 TOTAL: \$1,239,569.5

2015 TOP 100 TOTAL: \$1,176,497.7

VARIANCE: ↑5.4%

Notes: *2015 figure has been restated. ^ General Motors, Shell Canada and U.S. Steel Canada declined to participate this year. Their totals were calculated using the average growth across the top 97 pension funds in 2016. 1. The increase is due to a number of district pension plans transferring to the City of Montreal. 2. The increase is due to TransCanada's acquisition of Columbia Pipeline Group in 2016. 3. Cominco Pension Fund Co-ordinating Society, ranked at No. 80 last year, was incorporated into Teck Resources Ltd. 4. Fiducie globale des régimes de retraite de la Ville de Québec has been renamed as it no longer has a global trust.

Source: Figures in the report are based on the top 100 plans participating in the 2017 Canadian Institutional Investment Network pension fund survey or annual reports. *Benefits Canada* assumes no responsibility for the accuracy of the data provided. All totals are subject to +/- variance due to rounding. If you would like to participate in future surveys, contact CIIN at soo.kim@tc.tc or 416-847-5119.

