

Government Money Purchase Pension Plan Committee

2023-2025 Activity Plan

Message from the Government Money Purchase Pension Plan Committee

The Government Money Purchase Pension Plan (GMPP) was established in 1989 as a capital accumulation plan designed to provide pension coverage for part-time employees of the Government of Newfoundland and Labrador and its agencies, as well as full-time employees (of participating employers) who are ineligible to participate in other government-sponsored plans. The Government Money Purchase Pension Plan Committee provides oversight for the management of the plan.

Pursuant to the **Transparency and Accountability Act**, the committee is a category 3 government entity, and as such, is accountable for the preparation of a three-year activity plan and the achievement of the objective outlined in this plan. The enclosed activity plan is presented for the years ending December 31, 2023, 2024 and 2025. This activity plan meets the requirements of the **Transparency and Accountability Act** and was prepared taking into consideration the following:

- the strategic directions of government, in the area of the committee's mandate;
- the mandate of the committee; and,
- the financial resources of the committee

As the Chair of the Government Money Purchase Pension Plan Committee, it is my pleasure to submit the committee's activity plan covering the years ending December 31, 2023, 2024 and 2025. My signature below is indicative of my accountability for the preparation of the plan and the achievement of its objective.

Sincerely,



Lisa Curran

Chair of the Government Money Purchase Pension Plan Committee

1.0 Overview

The Government Money Purchase Pension Plan (GMPP) was created under the **Government Money Purchase Pension Plan Act** on April 1, 1989. It was established to provide pension coverage for part-time employees of government and its agencies, as well as full-time employees (of participating employers) ineligible to participate in another government-sponsored plans. As of December 31, 2022, there were 38,292 plan member accounts under administration and 56 participating employers.

The operations of the GMPP are overseen by the Government Money Purchase Pension Plan Committee. Committee members are appointed by the Lieutenant-Governor in Council to advise the President of Treasury Board, as Trustee, on the administration of the plan. The committee has 11 members including representatives from government and the plan's stakeholders, which includes employee groups. The Assistant Deputy Minister of Human Resources, Treasury Board Secretariat serves as the Chair.

2.0 Mandate

Pursuant to section 12.1 of the **Government Money Purchase Pension Plan Act**, the committee is established by the Lieutenant-Governor in Council and mandated to administer the plan. This mandate is delivered by completing the following activities:

- Developing, implementing and reviewing investment alternatives to provide plan members with the ability to make an active investment decision with respect to their accumulated funds;
- Promoting the plan and educating plan members on the importance of taking an active interest in their investments;
- Overseeing investment options to ensure that contributions accumulated to the credit of plan members are invested prudently in the investment classes prescribed by the committee; and,
- Overseeing the services provided by the Record Keeper and the performance of the Investment Manager.

3.0 Values

Under the Government Money Purchase Pension Plan, the level of benefits provided at retirement is dependent upon the contributions and the income earned on those contributions during an employee's career. It is therefore critical that participating employees become actively engaged in the management of their respective plan assets in order to ensure security in retirement. The Government Money Purchase Pension Plan has therefore established the following principle value that guides the work of its committee members:

Self Determination: All plan members have a right to make or not make an active investment decision with respect to their accumulated funds.

4.0 Primary Clients and Stakeholders

The primary clients of the Government Money Purchase Pension Plan Committee are the employees who participate in the plan. The stakeholders for the committee are the President of Treasury Board, as Trustee; the 56 participating employers; and the unions which represent the participating employees.

5.0 Vision

The vision of the committee is the maximization of the amount of pension funds available at retirement for all participating employees.

6.0 Objective

The Government Money Purchase Pension Plan Committee is mandated to assist the President of Treasury Board with the administration of the Government Money Purchase Pension Plan and provide recommendations on matters referred to them by the President of Treasury Board. Responsibilities of the committee include the development, review and implementation of investment policies; the recommendation of investment consultants, custodian and investment managers for appointment; and the review of all activities of the plan administrator, Canada Life. Additionally, the committee is responsible for providing resources to assist pension plan members to decide how to allocate employee and employer contributions to a variety of investment vehicles. The main objective is to achieve a maximum accumulation of benefits at retirement based on the members self-determined investment objectives.

The committee is committed to fulfilling its mandated responsibilities. As such, it will provide annual reports detailing the activities it undertook during each fiscal year covered by this activity plan (i.e., December 31, 2023, December 31, 2024 and December 31, 2025) in compliance with its mandate.

Objective: By December 31, 2023, 2024 and 2025, the Government Money Purchase Pension Plan Committee will have prudently managed and administered the Government Money Purchase Pension Plan.

Indicators:

- Developed, implemented and/or reviewed investment alternatives to provide plan members with the ability to make an active investment decision with respect to their accumulated funds;
- Provided oversight of investment options to ensure that contributions accumulated to the credit of plan members are invested prudently in the investment classes prescribed by the committee;
- Provided educational promotion materials to increase investment interest and active participation of plan members in their self-directive management of their accumulated funds;
- Provided oversight of the Record Keeper services and the performance of the Investment Manager; and,
- When requested, provided recommendations to the responsible Minister on matters referred to the Committee.