



**Journey of a
passionate activist
by Daniel Simard**

While my retirement is barely on the horizon, it's still too early for me to look back and claim to have written Bâtirente's history. However, it's my great pleasure to accept the invitation, on the occasion of my departure, to share what I consider to be my proudest professional contributions that have profoundly inspired me and driven my actions throughout the 44 years of my involvement in our cherished CSN union.

So many people from near and far have played a role in the numerous projects I accomplished on this journey. Unfortunately, I will not mention anyone in particular here to avoid leaving anyone out. In fact, what gives our movement its value is the people who have devoted themselves to it. And I've met some of the most courageous, determined, generous and committed activists along the way. Inspiring individuals whom I, in turn, have sought to inspire. Thinking back on all of them as I write these words stirs up many emotions. Allow me then to mention some of the milestones of my own story, which is, to a certain degree, the story of Bâtirente—our retirement system—which marks its 35th anniversary in 2022.

Humble beginnings

I entered the labour market at 15 (with my mother's permission!). That now makes it 50 years that I've been in this business! I earned my bachelor's degree from *Université de Montréal's* School of Industrial Relations (ERI) in 1979. I soon became active as a student trade unionist during my university studies, taking part in the struggle against student fee increases and the push for a redesign of ERI's academic program. I was President

of the university's SÉRIUM¹ union, co-founder of the FAECUM² federation and a member of the latter's executive committee.

During the last year of my program, I also worked as an intern on a special project for the CSN's research division. I formally began my career as an employee of the CSN in the fall of 1980—first in their political action division, then as a union advisor for public sector negotiations, followed by a brief stint with the *Fédération des affaires sociales* (now the FSSS—health and social services organization) and the *Fédération nationale des enseignantes et enseignants du Québec* (FNEEQ—National Federation of Québec Teachers). In April of 1983, I joined the *Fédération des employées et employés de services publics* (FEESP—federation of public service employees), where I worked for 12 years. In the course of those four contracts, I was exclusively assigned to the area of labour relations and collective bargaining.

I am quite proud of the fact that my focus was always on innovation during my collective bargaining years. I had the opportunity at the FEESP to break away from the complexity of defined benefit pension plans, to which I devoted substantial efforts in my municipal files. This experience would prove to be especially invaluable later on.

I also take great pride in having contributed to the advancement of women's interests in the workplace. I supported the struggle launched by the employees

of the City of Marieville office, who asked for, and received, wage parity with blue-collar workers after an epic 15-month strike—a shining example in the annals of the FEESP. We also helped overturn the discriminatory provisions of the abovementioned municipality's group insurance policy, which refused to recognize pregnancy-related disabilities. Regarding these proud achievements, I will always be grateful to the FEESP for the professional autonomy that it afforded us.

A vision

In 1984, I attended a CSN conference during which the executive committee recommended instituting a group RRSP. That innovative project was the union's response to members' identified needs not being met by the market. The concept of providing our own means for retirement funding greatly appealed to me, so much so that I ended up embracing the idea almost from the get-go!

The project was finally adopted in 1985 by the Confederal Council and brought to life in 1987, with the signing of the first group annuity contract with SSQ Life.

That year, I was appointed to the CSN's benefits committee and, in that role, sat on the CSN's pension plan committee as an STTCSN³ representative until 2003. The experience helped me learn a lot about pension plan administration, especially financial asset management.

At the 1988 Confederal Congress, Bâtirente held its first gathering of group representatives to elect a board,

¹ SÉRIUM: *Syndicat des étudiants de l'École de relations industrielles de l'Université de Montréal.* /² FAECUM: *Fédération des associations étudiantes du campus de l'UdeM.* /³ *Syndicat des travailleuses et des travailleurs de la CSN.*



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1) The employees of the City of Mariville union, with their negotiation advisor Daniel Simard, proudly display the reason for their union struggle: pay equity.

2) Bâtirente's birth certificate is signed by the 52nd CSN Congress.

3) First national union pension committee in 1987. From left to right: François Grondin, Bonaventure Hôtel; Mario Dokianakis, Grand Hôtel; Daniel Simard, FEESP-CSN salaried employee; Gérald Larose, CSN President; Réal Picard, Aciers Atlas; Pierre Giordani, Hôtel Place Dupuis; Léopold Beaulieu, CSN Treasurer; Claude Rioux, FTPF-CSN salaried employee, and Jacques Allard, *Syndicat du transport de Montréal*.

4) A Bâtirente ad that appeared in *Nouvelles CSN* in 1989.

5) Two of the founders of Bâtirente, Claude Rioux and Jacques Allard during the launch press conference in 1987.



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6) The Bâtirente work team in 2005. Back row, from left to right: Martin Blais, group annuity plans advisor; Henri Jalbert, communications advisor; Daniel Simard, general coordinator; Alain Ayotte, group annuity plans advisor. Front row, left to right: H el ene Gari epy, office worker; Pierre Patry, chair of the board; La etitia Tankwe, financial risks analyst.

7) The Member Services team at SSQ Financial Group in 2006. Front row, from left to right: Sylvie Turcotte, Sonia Proulx and Lucie Soulard. Second row: S ebastien Leclerc, Nathalie Boutin, Carl Marion, Francine Delisle and Ghislain Groleau.

8) Daniel Simard and Pierre Patry at the 2011 annual general meeting.

where I attended as the STTCSN representative. The delegates placed their trust in me as well as in various other colleagues from the hospitality and metallurgy/chemical/paper sectors—the major pioneers of B atirente.

In September 1995, I landed a temporary assignment split between B atirente and Fondation. Thereafter, I worked on the project to set up our workers' fund. In preparation for Fondation's first fundraising campaign in 1996, I concentrated on training union activists to promote it within their respective work environments. I also devoted my efforts to implement payroll deduction systems in workplaces. Between 1995 and 1999, I was working one-and-a-half jobs: full-time at Fondation, part-time at B atirente! Along the way, I finally left my FEESP position.

Building a system

Shortly after welcoming the new millennium, I became the full-time general coordinator and very first employee of B atirente. I arrived in this new position equipped with the knowledge I had soaked up about pension plans and finance from my volunteer work as a negotiator and administrator. I took on that role with passion and conviction, along with the desire to understand, learn and execute.

B atirente was emerging at a moment when Qu ebec was facing an employment crisis. We were witnessing the decline of large multinational companies from the primary and manufacturing sectors, which historically offered defined benefit pension plans, and their progressive replacement in the employment structure

by small or medium-sized businesses that didn't offer any. Bâtirente wanted to address this need.

The CSN Congress had always embraced the idea that a group RRSP was a solution that was easy to understand and put in place to better protect the retirement of members who, up until then, had been deprived of this. Subsequently, we successfully innovated so we could improve the weaker points of our offer.

That's how, as the requests and legislative innovations started rolling in, we added new funded plans—SPP, DPSP, federal MEPP and TFSA, as well as withdrawal plans, including RRIF and LIF plans—to the group RRSP. And longevity solutions, such as TBPP⁴ and VPLA⁵, may soon be available. Our offer was significantly expanded, and we now collectively have a real retirement and savings system bringing together practically all tools that have been made available by law.

A strong corporation

This retirement system also benefits from the strategic addition of our autonomous and independent investment platform. It is completely determined by our governing bodies on the advice of our teams and our consultants. This is a distinguishing characteristic that gives us our unique edge, and which we need to jealously guard. We have continually improved this platform so that it remains competitive and keeps generating long-term risk-adjusted returns that can make us proud. What's more, we are now supported by a real team of investment professionals, which ensures more than ever

that we are able to act competently and in full knowledge of the topic to perform even better.

In combination with our turnkey investment strategy, Trajectory, our diversified funds enable us to properly adapt to our members' changing risk profiles as they save at various stages of their lives. I take pride in the fact that our diversified instruments hold over 90% of their savings.

Since 2004, Bâtirente itself has been carrying out the activities of supporting our groups and members, as well as recruiting new groups, through its own financial services firm registered with the *Autorité des marchés financiers* (AMF—Québec's financial market regulator). Originally consisting of just two representatives, our team has since expanded fourfold and now boasts seven registered licence-holding advisors and one technician.

This team is the glue holding our retirement system together. It ensures that our organization gets good visibility within the CSN movement, while it provides valuable services to all our stakeholder—whether during the crucial collective bargaining steps, in day-to-day affairs, during the implementation of our plans at the local level, or in guiding members along their path to a successful retirement.

Toward a successful retirement

The development team plays a central role in our system's ability to guide members to truly succeed in their retirement. In my view, the addition of Plannuity

to the services it already offers is an innovation that has helped us reach a decisive moment.

Our industry is all about the volume of assets under management, and its size allows for a fee reduction over the long term. Moreover, neglecting to focus on keeping our oldest members, who have the largest accounts, only to see them replaced by a younger generation with little savings, is a lose-lose scenario for everyone.

That's why, in 2011, we launched Plannuity, our guidance service for retirees that encourages them to remain in their group, thereby helping ensure the collective fund remains as strong as possible, with the resulting fee decrease. And we shouldn't forget that by staying in their group, retirees benefit from significantly lower management fees than what they'd be offered elsewhere in the retail market, which has a direct impact on the level of their benefits.

In the world of funded plans, Bâtirente has innovated by rebuilding the common bond of interest between active members, retirees and their spouses, through their retirement fund. This is a matter of collective will made possible by our associative and pooled model.

Responsible investment

Bâtirente was an early innovator, having already taken an interest in responsible investment by the end of the 1990s. In fact, a retirement system born of a social movement such as the CSN, which is geared exclusively to the movement's affiliates, cannot serve as

⁴ TBPP: Target Benefit Pension Plan. / ⁵ VPLA: Variable Payment Life Annuity.

fiduciary of the assets entrusted to it without respecting the values of the organizations that endorse it.

How, then, should we incorporate these values of equity, justice and economic democracy, while continuing to exercise our fiduciary duties so as to act in the strict interest of beneficiaries?

After working extensively on this question, we came up with our approach, which was grounded in three principles: 1° the quest for improved disclosure on the part of listed companies, in terms of both quantity and quality of information relevant to their extrafinancial issues; 2° the progressive integration by our asset managers of extrafinancial information in their portfolio construction process; 3° shareholder engagement as a lever for action to get companies in which we hold shares to improve what is now commonly known as their ESG performance. In December 2005, the board of directors adopted a policy in this regard, and we were all quite proud of this progress.

What followed was a flurry of events. The launch of the UN Principles for Responsible Investment was announced. Given the exact correspondence between our policy and the key elements of these Principles, plus the geographic proximity of the launch, we decided to make our way to New York so we could attend in person. Bâtirente was thus among the first 26 global signatories of the statement during its official launch by the United Nations' Secretary-General Kofi Annan at the New York Stock Exchange in April 2006.

Bâtirente was suddenly pushed to the forefront when I agreed to sit on the board of this emerging organization.

That appointment, followed by my two re-elections, gave me the chance to participate in the first decade of the PRI, marking my professional path as well as that of Bâtirente. I had the opportunity to mingle with managers of some of the world's largest pension funds, from developed as well as emerging countries. Needless to say, the experience was instrumental in my understanding of the financial world. I hope I managed to leave an indelible mark on Bâtirente of everything I learned in my role here.

As a representative of the PRI in Québec and Canada, I worked hard to publicize the initiative within the local financial community as well as abroad. This movement is now well underway both here and internationally, and I'm very proud to have contributed to it. This includes the work I did promoting the creation of the Québec PRI Network and the PRI's Francophonie Advisory Committee, which allows signatories from the Francophone world to network and promotes discussions and knowledge transfer related to responsible investment in the language of Molière.

I take immense pride in the way responsible investment is increasingly incorporated into our organization's investment practices. For example, I would mention our climate commitment, with measurable, ambitious goals for reducing the carbon footprint, increasing asset allocation tied to impact strategies and strengthening of our shareholder engagement strategies in favour of the climate.

Let me conclude by saying that from my perspective, responsible investment enriches institutional finance because it obliges us to know where the money is

going and what activities we are funding with the group savings entrusted to us. For an organization like ours, responsible investment clarifies the role of the financial system in the economy, just as much as our own role within this system, and allows us to execute it better.

Conclusion

Before I go, I would mention one more point that gives me great satisfaction: that of being able to leave a company in sound health, both financially and governance-wise. I am proud to have prepared my successor, and I would like to reaffirm my complete faith in the decisions made by our board to entrust the leadership of this company to my colleague and friend Éric Fillon. I am also really proud of the team around him, and I deeply appreciate each and every member thereof. My Bâtirente family will be sorely missed by me.

I wish to thank all our board chairs and members who took part through the years for their unwavering confidence in me as well as the freedom they gave me. Thanks are also owed to the many officers of the Confederation, the federations and other affiliated organizations, as well as their employees, who supported our efforts and placed their trust in us since 1987.

The Bâtirente reins were handed over to me in 1995, and I'm very proud of the work we've accomplished together!

P.S.: A huge thank you to my wife, Marie Côté, and to my daughters, Noémie and Catherine, without whom my contribution would never have been possible. They supported me despite the family constraints arising from this passion for always carrying out my work as a mission.

"I wish to pay tribute to Daniel Simard for the work he accomplished. His departure will create a void that we will need to fill on several fronts. His deep belief in union values, his detailed knowledge of retirement systems' intricate complexities, and his unshakeable faith in the benefits of responsible investment all helped develop Bâtirente into what it is today: a strong, human, and responsible organization. Daniel's humanity and work ethic were nothing short of exceptional."
 — **Éric Filion, CEO**



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9) Daniel Simard was one of the instigators of the PRI Québec Network, which organized the *Colloque québécois sur l'investissement responsable*. The photo was taken in 2013.

10) Daniel Simard at his last Bâtirente annual general meeting as CEO.

11) Table of honour during Bâtirente's 25th anniversary in 2012. From left to right: Pierre Patry, Gérald Larose, Daniel Simard, Marc Laviolette and Jacques Létourneau.

12) Along with 26 of the largest institutional investors in the world, Bâtirente becomes a signatory to the Principles for Responsible Investment (PRI). From left to right: Kofi Annan, then United Nations Secretary General, and Daniel Simard, at the PRI launch ceremony held at the New York Stock Exchange.

"I'd like to highlight the substantial contribution by our friend Daniel Simard in building up Bâtirente to what it is today. Initially guided by his spirit of union activism and driven by his conviction to provide workers with a retirement plan, Daniel helped build a unique retirement system, created by and for unions."

— **Yvan Duceppe, Chair of the Board**