

ANNUAL REPORT

For the year ending December 31, 2011

Issued September 2012



Multi-Sector Pension Plan



Multi-Sector Pension Plan
105 Commerce Valley Dr. W., Suite 310
Thornhill, ON L3T 7W3

MESSAGE FROM THE CO-CHAIRS

This year the Multi-Sector Pension Plan is celebrating a decade of service, providing retirement benefits to unionized employees across Canada. More than 10,000 active and retired Members participate in the Plan and that number grows with the addition of each new employer. In 2011, 14 new Employers' enrolled staff in the Plan bringing the number of Employers to 135.

We are pleased to see the significant growth in both the membership and the value of the total assets under management. It is a great accomplishment and the Multi-Sector Pension Plan (MSPP) Board of Trustees has dedicated itself to continue to expand its membership. With fewer Canadian workers able to avail themselves of employer based pension plans, the MSPP is a union sponsored plan available to help fill that need.

As we move into the second decade of service, the Board of Trustees is recommitting itself to providing the Plan's members with the high level of service you have come to expect from the Plan.

The Board of Trustees of the Plan is composed of representatives appointed by the Canadian Union of Public Employees (CUPE) and Service Employees International Union (SEIU). The Board of Trustees is responsible for the overall governance and strategic direction of the Plan. The Board meets quarterly and more often as

circumstances warrant. The Board also attends an educational retreat each year where topics such as new pension legislation, investment information and governance are covered.

The Board is supported by the services of professional advisors. The law firm of Koskie Minskie provides legal advice to the Trustees and to the Plan regarding pension legislation, issues which arise on a day-to-day basis and operations of the Plan. BDO Dunwoody is the Plan auditor. The firm reviews the Plan's accounts, audits the annual financial statements, conducts audits at selected employers to ensure that the pension deductions are properly calculated as per the specific collective agreement terms, and ensure that employers remit pension contributions on a timely basis.

This year Buck Consultants was appointed the Plan's actuary. The actuary provides advice on the Plan's benefits as well as valuing the Plan each year to determine its funded status. Eckler Ltd. is the Plan's investment advisor. Leith Wheeler and Gryphon are the Plan's two money managers.

As a result of the increased value of the Plan's assets as well as contributions from the Participants the year end value of the assets was \$81.8 million compared to \$64.4 million at the end of 2010.

THE BOARD

The Board of Trustees of the Plan is comprised of representatives of the two sponsoring unions, SEIU and CUPE. Each trustee is appointed by their respective unions. The Board meets four times a year to review Plan activities and to discuss investment and governance matters. The following are members of the Board as of the writing of this report:

Andy Mele, CUPE (Co-Chair)
John Van Beek, SEIU (Co-Chair)
Darcie Beggs, CUPE
Emanuel Carvallo, SEIU
Jackie Dwyer, CUPE
Jean Charles Lavigne, CUPE
Mike McDonald, SEIU
Nancy Parker, CUPE
Peter Paulekat, CUPE

Alternates Trustee is:
Linda Thurston Neely, CUPE

Please remember to keep the Fund Office informed any time you change your address. We rely on your updated address to send you your annual statement, newsletters and any other information pertaining to your pension benefit.

The following professional providers provide advice and support to the Board:

Legal Counsel: Koskie Minsky LLP through Murray Gold
Audit Services: BDO Dunwoody Limited through Kent Botham
Plan Actuaries: Buck Consultants through H.C. Pitcher
Investment Advice: Eckler Consultants through Jason Campbell

For additional information about this Plan or to provide feedback on our report see our web site at www.mspp.ca, email us at info@mspp.ca or telephone us at 905-889-6200 or 1-800-287-4816 or fax us at 905-889-7313. You can also write to us at our mailing address:

Multi-Sector Pension Plan
105 Commerce Valley Drive West, Suite 310
Thornhill, Ontario L3T 7W3

FINANCIAL HIGHLIGHTS

INVESTMENTS, AT FAIR VALUE:

	2011	2010	2009	2008	2007
Short Term Investments					\$49,099
Pooled Money Market Funds	\$3,765,776	\$519,948	\$1,333,672	\$1,434,219	\$1,001,889
Fixed Income Fund	\$30,441,239	\$24,211,176	\$16,417,986	\$11,555,295	\$8,594,558
Canadian Mutual Funds	\$28,932,757	\$24,826,954	\$15,659,396	\$7,738,096	\$8,194,694
Foreign Mutual Funds	\$18,667,258	\$14,875,665	\$10,215,972	\$5,498,100	\$4,556,086
Total	\$81,807,030	\$64,433,743	\$43,627,026	\$26,225,710	\$22,396,326

The investments of the Plan are mostly in pooled funds and are diversified as indicated above into different categories in order to reduce risk and achieve overall returns that attain a stable retirement for our Members. The Plan also retains an Investment Consultant to assist in analyzing the performance of the fund managers.

BENEFIT PAYMENTS

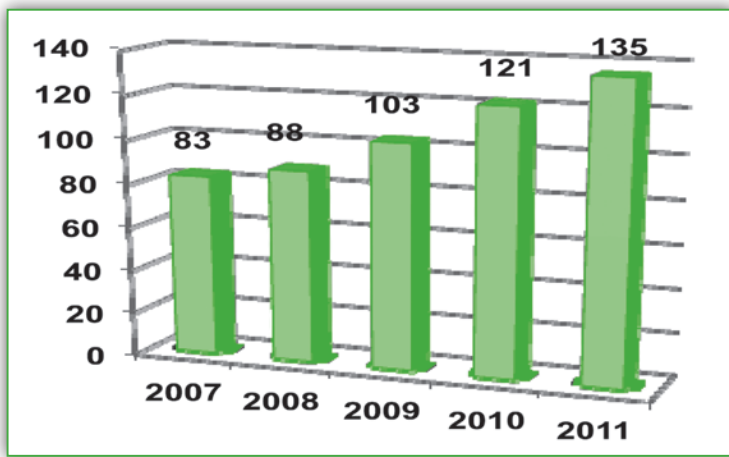
	2011	2010	2009	2008	2007
Pension Benefits	\$500,810	\$351,428	\$284,315	\$140,883	\$69,031

The Pension Benefits are the monthly amounts paid from the Plan to members or their survivors. At the end of the year 193 Pensioners were receiving a monthly pension benefit from the Plan.

PARTICIPANT POPULATION

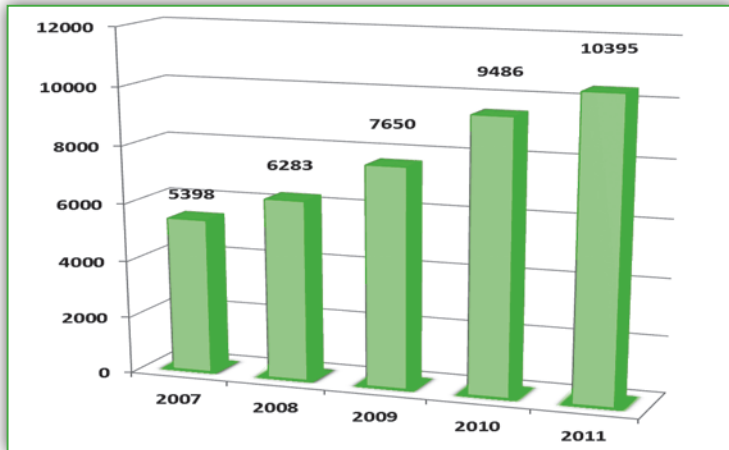
	2011	2010	2009	2008	2007
Active Participants	8,923	8,341	6,789	5,616	4,733
Inactive Vested Participants	1,279	571	435	601	629
Pension Recipients	193	138	98	66	36
Total	10,395	9,486	7,650	6,283	5,398

The Plan continues to grow with an increase in total participation this year of 1,188 individuals and 14 new employers. The participating unions work to include pension plan membership as part of collective agreements as they come up for negotiations or renegotiations. Active Members are participants who are currently employed and continue to increase their benefit through the contributions made by them and their employer. Inactive Vested Members are individuals who have terminated their employment with a participating employer and who chose to leave their contributions in the Plan to provide a future pension for them. Pension Recipients are those who are collecting a monthly pension from the plan as retired Members or their surviving spouses.



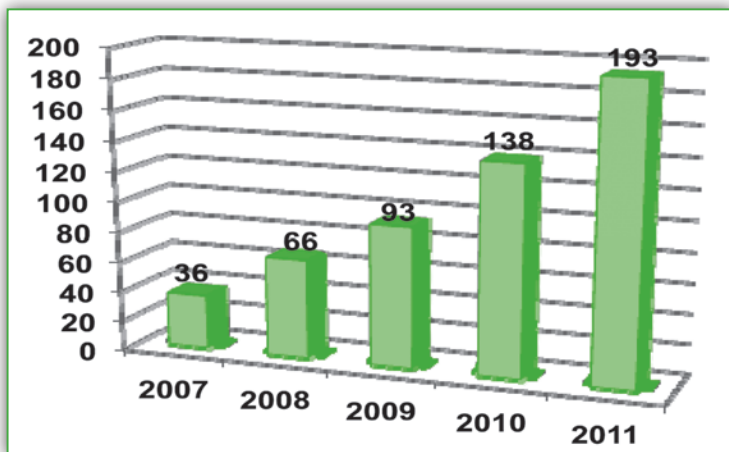
MSPP EMPLOYERS

The number of participating employers continues to increase through the collective bargaining process as the two participating unions set a high priority on negotiating retirement benefits for their members. Employment sectors currently represented in the Plan are childcare workers, airline employees, golf course workers, sanitation workers, developmental and social service providers and other unionized organizations.



MSPP MEMBERS

Membership continues to grow as new collective agreements are entered into. Members currently come from 8 different provincial jurisdictions as well as from the Federal jurisdiction. The average age of active Members is 42, as of the last valuation report.



MSPP RETIREES

193 Members were receiving monthly pensions as of the end of 2011. The average age of the pensioners is 66.5. The Plan provides Members with the ability to begin collecting a pension as early as age 55 on a reduced basis and at age 65 on an unreduced basis.

Frequently Asked Questions

These questions have been asked either through enquiries to the Fund Office or at the presentations by Plan staff.

Am I a vested or non-vested plan member?

As of July 1, 2012 all active Members of the pension are immediately vested as a result of changes to the legislation pertaining to pension plans. In most jurisdictions prior to July 1, 2012 to become vested in your benefits and entitled to receive a pension from the Plan, you were required to accumulate 24 months of continuous membership in the Plan if you were under the age of 65. (all members automatically became vested when they turned 65 if they had not already done so). Members with less than 24 months of continuous service were considered to be non-vested. If non-vested members terminated participation in the Plan, they received a refund of their employee contributions plus interest.