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# After School

armchapter12.org

Volume 17, Issue 1, February, 2015

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OTIP's Anita Chamberland makes a point comparing OTIP's coverage to RTO's

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# Editorial Chatter

President Manfred Netzel takes aim at Premier Wynne and the Ontario Liberal government in this issue's Presidential Perspective column – a revealing portrait of our provincial government.

Meanwhile, Paul Rook's Curmudgeon's Corner takes on the health care system and finds lots to worry about. Our national pride is heading towards more and more privatization and, if Harper has his way, oblivion.

Many of our members enjoyed our December 3 Holiday Party. Singing, skits, socializing – we had a good time with a delicious luncheon as the highlight of the day. Once again, ARM Chapter 12 donated \$500 to the Daily Bread Food Bank.

At our January meeting, we were fortunate to have

three fascinating presentations from OTIP, EFG and Teachers Life, on how best to manage the money we put into investments and insurance. *After School* is pleased to include the presenters' summaries of their sessions' key points.

Book reviewer David Schreiber has two excellent reviews in this issue. One features a critical analysis of public versus private sector myths and the other the disappearing religions of the Middle East.

Finally, Charlie Hawkes and Paul Headdon update us on the Teachers Pension Plan. All is not calm as we work to change pending federal legislation that threatens the ability of the plan to manage its financial affairs to the greatest benefit of its members.

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## Active Retired Members Chapter 12 (Toronto) Executive

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## *After School* Volume 17, Issue 1, February 2015

*After School* is the official publication of Active Retired Members of the Ontario Secondary School Teachers' Federation, Chapter 12 Toronto (ARM C12)

Opinions expressed in *After School* are those of the author and do not necessarily reflect the policies of ARM Chapter 12 or of the Ontario Secondary School Teachers' Federation.

Submissions are always welcome but will not be returned. All submissions are subject to editing for length and style while respecting the author's intentions.

**Editorial Team:** Larry French, Cyndie Jacobs, John Jansen, Manfred Netzel, Ed Preston, Paul Rook, Neil Walker

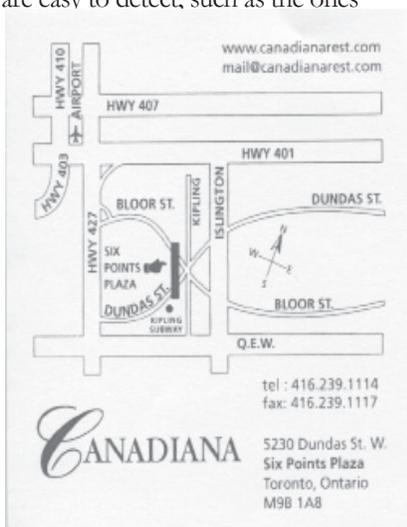
**Newsletter Contact Information**  
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# Calendar

**Wednesday, Feb. 18, 2015. Gambling for Seniors — Risk and Reward.** Bought 649 lately? Visited Casino Rama? Win anything? Many of our colleagues probably answer “yes” to at least one of these questions. Gambling is fascinating to a lot of us. Our panel of knowledgeable people will discuss gambling from such perspectives as history, provincial revenue, winning and losing strategies, and dangers. Registration at 9:30 am. Anthony’s restaurant (corner Don Mills Rd and Lawrence Ave) Cost: \$19 includes lunch. Call Jim Loftus at 416-447-0811 if you’d like to attend.

**Monday, March 23, 2015. ARM’s Annual Spring Curling Bonspiel.** Donalda Club, Don Mills. Registration 9:30 a.m. Game starts at 10:00 a.m. \$25 per player, after subsidy. Fee includes curling and luncheon. Maximum of 32 curlers. Non curlers may have lunch at \$20. Register with Jim Loftus, 416-447-0811. Spaces are filled early and quickly.

**Wednesday April 15. Don’t Be a Victim of Scams.** Presentation and luncheon. We are all potential victims of scams. Many arrive through our e-mail. Some are easy to detect, such as the ones offering us inherited money from someone we never met, if we only send money for processing. Others are far more sophisticated and put our computers, financial information and even our identity at risk. These con artists also contact us through phone calls and appear at our doors attempting to sell us everything from new water heaters to duct cleaning service. Our panelists will provide information on how to identify these sophisticated scams and tips on how to protect



yourself. Registration: 9:30 am. Presentation: 10:00 am. Lunch, 12 noon. Location: Canadiana Restaurant, Six Points Plaza, 5230 Dundas Street West. Contact Jim Loftus to confirm attendance. 416-447-0811.

**Wednesday, May 20, 2015. ARM Swing For Kids Annual Spring Golf Tournament.** Challenge Course at Rolling Hills Golf Course, ( see map) 9:30 am Registration, 10:00 am Shot Gun Tee Off. Cost: \$70 includes 18 holes of golf, cart for two, BBQ luncheon including choice of meats, three salads, vegetable plate, assorted cookies, coffee or tea, taxes, gratuities and prizes. Proceeds of a 50/50 raffle and a silent auction are donated to 15 or more children’s charities across Toronto. Send \$70 per golfer, cheque to Jim Loftus, 301-7 Roanoke Rd, Toronto, ON M3A 1E3. Cheques should be mailed by May 13, 2015 and made payable to ARM C12 Fall Golf Tournament, c/o Jim Loftus, Coordinator. Call Jim Loftus for further information, 416-447-0811.

**Wednesday, June 3, 2015. Annual General Meeting.** Registration, 2:30 pm. Guest speaker, dinner. Please confirm attendance with Jim Loftus, 416-447-0811.

**Wednesday, June 10, 2015. Aga Khan Museum Visit** 77 Wynford Drive, Toronto, Ontario, M3C 1K1 416 646-4677. Gallery Tour 10:00am. Meet at the front entrance. Admission: Adult \$20.00, Senior \$15.00. Groups of 10+: Adult \$18.00. Senior \$10.00. Since we will have a tour guide, please add \$5.00. Confirm attendance with Millie Oliver 416 580-9992 by June 1, 2015. Looking forward to seeing you there..

**Friday, June 19, 2015. ARM C12 Stratford Festival Trip, 2015.** The productions offered are Carousel and Hamlet. Carousel, a Rodgers and Hammerstein musical features scores that include “You’ll Never Walk Alone”, “If I Loved You”, and “June is Bustin’ Out All Over.” Hamlet, an iconic Shakespearean tragedy is familiar; always a potent drama. Please call Karma ASAP (416 783-6591) for questions and if hoping to attend. More details later.

## Out of Town Events

**Chapter 9 (Windsor-Essex)**  
**March 6 First Friday Breakfast**  
**Lumberjack Restaurant.** 475 Tecumseh Rd. E. in Windsor Starts @ 9 am. Contact: Shelagh Parks 519 728-1965  
**March 19 ARM Ladies’ Luncheon.**  
Franco’s Restaurant. 1545 Tecumseh Rd. E. in Winsdor. Starts @ 11:30 am. Contact: Shelagh

**Chapter 11 (Thames Valley)**  
**May 13 Spring Luncheon & AGM.** Best Western Lamplighter Inn on Wellington Rd. in London. Contact: Mary Lou Cunningham armpresident@osstf11.com

**Chapter 17 (Simcoe)**  
**February 19 Chapter Wine & Cheese Social and Speaker.** District 17 Office/

51 King St. Unit 6 in Barrie. Starts @ 5 pm. Contact: John Lusted jclusted@gmail.com

**Chapter 18/21 (Upper Grand / Hamilton-Wentworth)**  
**February 17 Tour of Historic Griffen House in Ancaster** and Luncheon  
Tour location is 64 Sulphur Springs Rd.

Continued on page 16

# Kathleen Wynne: Toronto's Biggest Threat to Local Democracy and Services

*Follow the news, attend meetings and contact the decision-makers to protect our valuable public assets, programs and services*

**BY MANFRED NETZEL PRESIDENT, ARM CHAPTER 12**

By now, you have undoubtedly heard about the political and financial woes faced by both Toronto City Hall and the Toronto District School Board. What is more disturbing, in my view, is that both of these municipal organizations, each the largest of its kind in Canada, are being brutalized by their own provincial government, led by a progressive Premier and resident of Toronto and ably assisted by a Liberal cabinet with strong Toronto/GTA representation.

Having attended several meetings lately about the City's 2015-16 budget, heard deputations related to the Wilson Report, and seen many charts about TDSB school capacity and enrollment projections, the purpose of this writing is to focus on some of the more egregious decisions made by the Liberal Government at Queen's Park. Of course, I will also offer some strategies to challenge these austerity policies and actions for anyone reading this in our newsletter or on our website.

So let's begin by looking at the current plight of the TDSB. For starters, it must be said that board staff had already devised plans to close, merge or shift boundaries in some nine clusters of "underused" schools over the next three years, well before they were recently publicly ordered to do so by Minister Liz Sandals. Of course, the end number was nowhere near the potential 133 of the total 590 schools identified in the Wilson Report. Also, the deadline of February 13 (an auspicious Friday date) imposed by the minister to draft a comprehensive three-year capital plan that "must include a detailed work plan on how to significantly reduce unused space" was certainly much sooner than the Director, senior staff, trustees and school councils

had anticipated. I'm sure that the 11 newly-elected trustees didn't imagine that this dictate would fall into their laps barely two months into their electoral mandate. In fact, this capital plan directive is only one of 13 orders issued by Sandals coming out of the Wilson Report, some of which are clearly an attack on public accountability and effective delivery of public education in Toronto.

The Ministry has continued to use policy and funding guidelines and formulae that go back to the worst years of Mike Harris, and sadly not really changing them after the PC regimes of Harris and Eves were replaced by the Liberals under McGuinty and now, Wynne. Thus, system capacity funding has never recognized when school space is used for purposes other than student (age 5-18) traditional classroom instruction nor for other legitimate uses such as child care, recreational community activities, and adult or alternative education. As a result, high schools such as Burnhamthorpe CI, Eastdale CI and Vaughan Road Academy are rated at low capacity ratings of only 30 per cent or so, even though they have many more students enrolled in alternative or adult programs.

Furthermore, these unrealistic capacity ratings have also led, since the 1990s, to the exclusion of the TDSB from receiving Education Development Charges (EDCs) from developers building new residential units near existing schools. The result has been that the Toronto District Catholic School Board will, in 2014-15, receive \$841/unit for a total of \$5.9 million in EDCs since 7,000 new condo units were approved by the City in September, 2014.

The TDSB will receive \$0. Despite multiple school boards and the Ontario Public School Boards Association (OPSBA) having requested that Queen's Park change the regulation over EDCs, the government has not moved to change this situation.

The second aspect of the TDSB's governance troubles with the provincial government is the Minister's directives which seek to make drastic changes to the role of trustees and the accountability to their constituents and communities. Again I harken back to the Harris government's accusations in the 1990s that trustees in Toronto and elsewhere were "dysfunctional" by resisting its political directives. Then, like now, the salaries, governance roles and number of residents they represented were changed so that the job of trustee became much less attractive and effective. Perhaps it is déjà vu that Minister Sandals is now directing that the TDSB:

- \* consider evicting the 22 trustees from their offices in the TDSB Headquarters at 5050 Yonge Street;
- \* eliminate trustees' part-time assistants, even though their wards have the same size and constituents as MPPs (who are paid five times the salary and have three to four full-time staff);
- \* give trustees a much reduced role in the hiring of Principals, VPs and SOs in order to put an end to the so-called "culture of fear" identified in the Wilson Report.

Clearly the behaviour of a small number of trustees from the previously-elected TDSB was inappropriate and unacceptable, but the new board has had half of its current complement only in office since December 1st and the

others have a good record of experience and policy making. Although many of us would also agree that the current structure of the TDSB is too big to operate for the best of its students, staff and local communities, Queen's Park has centralized control of nearly all decision-making in a huge Ministry bureaucracy which oversees over a million students, thousands of educational workers and hundreds of unelected managers and policy advisors. What hope for a superior governance model for the TDSB could we expect coming from a Liberal government that provided us with Bill 115, \$8 billion wasted on Public Private Partnerships, and billions more wasted on cancelled gas plants, e-Health and ORNGE?

Now let's look at the current 2015-16 budget process for the City of Toronto. As a life-long resident and client of both the school system and City services, the building of a \$11.5 billion operating budget and a \$31.7 billion capital budget for the next 10 years is a "Bloody Big Deal" (to use a recent TFC soccer marketing slogan). Here too, one could argue that the decisions of recent provincial Liberal governments have done more to strain our finances and also impede the political powers of our elected city councillors. Even now with a much more intelligent and savvy mayor who has some commitment to social justice, and who has good political connections both in Ottawa and at Queen's Park, the current relationships between Toronto and the other levels of senior government have become strained.

Specifically, despite some limited improvements to revenue sources granted to the City of Toronto by the McGuinty government to then Mayor David Miller via a new City of Toronto Act, over one third of revenues (\$3.85 billion) collected by the City still come from the regressive property tax. The other levels of government contribute only 1/5 of the current municipal

revenues collected, or just over \$2.2 billion, including only \$165 million from Ottawa. In fact, since 1998 the City has cut property taxes by a cumulative 12.4 per cent which is worth about \$310 million annually. How can that be? The explanation for this is that most politicians over this time have promised (or even campaigned) to keep property tax increases at or below the rate of inflation. Simply put, such an increase is actually not an increase, but a cut. Thus, while some parts of the city have seen higher than average tax increases, mostly in the central core and along the major subway lines, due to rising real estate and the provincially-mandated Current Value Assessment (CVA) model, most parts of Etobicoke, North York and Scarborough have seen lower property taxes. Official policy also limits business tax increases to one-third of those faced by homeowners on the premise that this will keep businesses here and attract new ones. So, homeowners' taxes must rise faster than the overall tax base.

Also, when compared to the rest of the GTA, Toronto has the lowest tax rate and also the lowest average property taxes in actual dollars. Is the City actually collecting enough property taxes to meet its service needs and operating costs? A further complication is the current policy that keeps debt costs to no more than 15% of annual tax revenue. Other municipalities may increase this up to 25%, but what this means is that as the amount of tax revenue shrinks, then so does the amount of debt the city can carry in a given year. Thus, if property taxes actually kept up with inflation or slightly more, then city hall would have \$45 million more available for debt servicing.

Where does Queen's Park fit into this local financial dilemma? Firstly, repeated requests from different Toronto mayors and their city councils for new or expanded taxation tools such as a municipal income tax (14 US states allow this), a dedicated sales tax (3.25

percent in Chicago, 4.75 per cent in Buffalo), municipal fuel tax (Vancouver) or even the re-introduction of an Ontario business location tax which was eliminated in 1997. Needless to say, the reluctance of recent provincial governments to allow enhanced municipal taxation powers is both fiscally short-sighted and politically misguided. This leaves an increased dependence on user fees and the collection of fines as the major sources for additional tax revenues for Toronto .... 16 per cent or \$1.8 billion for 2015-16. After the abolition of the Vehicle Registration Tax (\$60) by the Ford administration, the only other significant source of tax revenue has been the Toronto Land Transfer Tax which will generate some \$432 million for the coming budget year.

Lastly, the just-announced decision by Mayor Tory to decline a \$200 million "line of credit" loan from the Wynne Government to cover the \$86 million budgetary deficit for the coming year is both surprising and worrisome. Not only does it seem to be a result of Queen's Park reneging on a 3-year grant (now loan) to cover the costs of previously downloaded social housing programs, but it also likely means a higher final property tax increase and/or new cuts to planned spending for TTC, social services and capital projects. Sadly, the \$13.5 million city share of funding of the 2015 Pan Am/Parapan Am Games will not be affected, I suspect.

So what can be done to see that these very large municipal organizations continue to deliver needed and efficient public services to the residents of Toronto? As retirees, we have the time and ability to influence our elected representatives both at City Hall and at the TDSB during these challenging times. Follow the news, attend meetings and contact the decision-makers to make your voice heard and help protect these valuable public assets, programs and services. It's in all of our interests to do so.



## Curmudgeon's Corner

# Medicare Under Attack

*The Harper government has a plan that will dramatically reduce medicare funding*

BY PAUL ROOK

Canadians claim they support public health care (medicare). Indeed, because he was the father of medicare, Tommy Douglas was voted our greatest Canadian in a poll a few years ago. Therefore, I am puzzled that Canadians are not taking steps to fight the erosion of medicare. It doesn't make any sense. But there I go looking for logic in a world where logic no longer prevails, if it ever did.

Let's start to examine this situation by looking at emergency rooms. There are constant complaints about wait times. As a recent guest in emergency rooms, I am amazed by the fact that everyone wants instant treatment. This is a perfect example of our increasingly *me instead of we* society where people are thinking only about themselves. "Of course my broken finger should be treated before the heart attack victim. He is probably going to die anyway!"

Of course there is a bigger problem with wait times than this change in attitudes. But have we become so stupid that we can't make the connection between government actions and difficulties in meeting our health care needs. Folks, if you dramatically reduce the number of hospital beds, as has happened in Ontario since the Harris government, people who need to be admitted to a hospital room are going to wait longer in emergency and are going to be clogging up the emergency rooms.

There are a number of government policies and actions that are weakening our public health care system. In Ontario the Liberal government is in

love (Actually, it is more like lust.) with public private partnerships or P3s. These are arrangements with private companies to build hospitals and provide services. The argument is that the private sector is more efficient. Yes, we saw that in the auto companies and the financial institutions that caused the recession in 2008. The reality is that using private companies has led to more delays and has cost 8 billion dollars more than if the public sector had been in charge of these jobs. Imagine what we could do to improve health care with that money.

There is a bigger financial problem coming. A year ago I pointed out that the Harper government has a plan that will dramatically reduce medicare funding. The people I was speaking to cried out that Harper was promising to provide the same annual increase in medicare funding negotiated in 2004. First, that is only until 2017. Second, after that time, medicare funding will be tied to the growth of the Canadian economy. In case you have not noticed our economy is not performing very well. Third, people who generally don't trust politicians seem to be putting a lot of trust in Harper. But of course, when has he ever lied to us? Wait, isn't this the same Stephen Harper who led the National Citizens' Coalition, a group committed to ending our medicare? Maybe you should be worried.

In the recent issue of OSSTF's Update the following was written: "Harper's core agenda is to lower taxes by slashing public services." Maybe we are looking at this the wrong way. Could

it be the he is lowering taxes so he can slash funding for public services, such as medicare?

Did you know that in Ontario the government has frozen hospital funding? They are also trying to move as many hospital services as possible into clinics. One doctor actually said this was better because hospitals are dirty and full of germs. Maybe this wouldn't be the case if enough funds were provided to properly clean hospitals. At least hospitals are more closely monitored than clinics. In case you missed it, a recent study found that 17 per cent of clinics had serious problems with germs and lack of cleanliness. Could it be that some doctors want services in clinics where they can bill for extras beyond what medicare pays for?

All the things I have mentioned and many more are undermining not only medicare but people's faith in medicare. Remember what Premier Harris' first Education Minister Snobelen was caught saying. If you want to change the system, first, you create a crisis. Many things are being deliberately done which are leading to a crisis in our public health care system. Could it be that this crisis is being created to get us to support privatized medicare? Food for thought especially for people in our age range who are more likely to experience serious medical problems. One final thought. If you think privatized public services are better think of highway 407 and all of the problems with this privately owned highway.

# Here's How To Make The Most Of Your Money

Representatives of EFG, OTIP, and Teachers Life bring their combined know-how to the January luncheon meeting of ARM Chapter 12

BY NEIL WALKER



Retired educators' resource personnel for financial planning: left to right, Lisa Raponi, EFG; Anita Chamberland, OTIP; and Duane Young, Teachers Life

Retirees from the Ontario school system are in an enviable position. Whether they are teachers or other education staff, they have good pension plans and they also have the advantage of several top-drawer financial support organizations: the Ontario Teachers Insurance Plan (OTIP), Educators Financial Group (EFG), and Teachers Life.

On Wednesday, January 21, there was an attentive audience ready to discover the importance of good financial management from key representatives

of OTIP, EFG, and Teachers Life. After Duane Young (Teachers Life), Anita Chamberland (OTIP) and Lisa Raponi (EFG) spoke, they took questions from the audience and later had individual consultations with ARM members.

Subsequently, each contributed material to *After School* to give every member the benefit of their knowledge. EFG is a for-profit mutual fund company, but their only shareholder has never taken a dividend from them in 40 years. Their profits get funneled

back into the organization to better their products and services and to help with their commitment to the education community. OTIP is a not-for-profit insurance company and Teachers Life is also a not-for-profit organization. All three companies were founded by educators and specifically aimed at service to educators.

Take a look at what they offer; in all probability you will find that each organization offers above average service and results for your money.



Educators Financial Group Inc.  
2225 Sheppard Avenue East, Suite 1105  
Toronto, Ontario M2J 5C2  
Tel: 416.752.6843 or 1.800.263.9541

## Invest and Insure

# What is trending in retirement?

*Sell and rent has some big advantages*

BY LISA RAPONI, EDUCATORS FINANCIAL PLANNER, CFP, FMA, FCSI, RRC

The world is changing and so is conventional retirement. If I tell my Italian father that some retirees now choose to rent and not own, I think he might faint. You see, for him and others, owning your home is a sign of prestige and accomplishment. I have been a Certified Financial Planner for over 10 years and my father's views were very common when I first started out. However, in the past five years I have seen an increase in education retirees opting for quite the opposite. People are "locking and walking" as ARM member Eric Dempster put it.

What this means is these people are selling their homes to take

advantage of the huge increase in housing prices in the last 30 years. Then, instead of repurchasing another home, they are opting to rent.

Let's look at an example:

Sandy and Bob are retired with a Teachers Pension, CPP and OAS to support them. Their North Toronto home (that is mortgage free) is valued at \$1,200,000. After legal fees and moving costs, let's assume they net out \$1,100,000. In a moderate investment portfolio averaging 5% growth minus 40% tax, Sandy and Bob can generate approximately \$2,700 a month.

This would be enough to rent a

beautiful condo, with no property taxes, maintenance fees or repairs. Then the money from their pensions would be disposable income for them to enjoy as they please.

There are several other issues that need to be considered when thinking about this strategy, but here at Educators Financial Group we can help educate you so you can make the decision that is best for you.

Contact us at 416-752-6843 or [info@educatorsfinancialgroup.ca](mailto:info@educatorsfinancialgroup.ca). Or visit [www.educatorsfinancialgroup.ca](http://www.educatorsfinancialgroup.ca) to book a consultation.

# *Keep up-to-date with ARM Chapter 12 events*

**Check out newsletters and the calendar at**

**[www.armchapter12.org](http://www.armchapter12.org)**



# RETIRING?

The Active Retired Members (ARM) organization was created specifically for retired OSSTF members to remain actively involved with their colleagues for social and informative events and political action activities.

## Why join ARM...

- A great way to stay in touch with former colleagues
- Local community, social activities and travel opportunities
- Provincial mailings, including OSSTF Education Forum, Update Newsletter and the Pocket Planner
- You'll also gain access to comprehensive health, dental and travel insurance coverage.

## Want even more reasons to join the ARM?

ARM offers Retiree Health Benefits that are flexible to your unique needs unlike RTO that offers a standard coverage.



Visit [otip.com/JoinArm](http://otip.com/JoinArm) for more information

2015 Benefits Comparison*		
	ARM Retiree Health Plan	RTO Retiree Health Plan
Plan Administrator	Owned and administered by OTIP (Ontario Teachers Insurance Plan) - a <b>not for profit</b> organization	Owned and managed by RTO Administered by Johnson – a for profit organization
Age restriction	No age restriction**	No age restriction
Member Fee	\$50 per year to OSSTF	\$1.25 / \$1,000 of annual pension
Medical requirement	<b>No medical assessment required to make the easy switch from RTO to ARM</b>	RTO requires a medical if you wanted to move from ARM.
Coverage Comparison		
Plan type	<b>Choice of five health care plans, each with a different prescription drug maximum</b>	Only one plan to suit all ages
Drug coverage	<b>Only plan to offer Catastrophic Rx - unlimited drug coverage protection, or compare ARM Original with \$3,000 prescription plan (85%)</b>	Only one plan covers \$3,100 prescription (85%)
Travel insurance	<b>Deluxe travel insurance for up to 95 consecutive days per trip is included</b>	Travel insurance for up to 93 consecutive days per trip is included
Paramedical services	<b>\$1,250 per person combined</b>	\$1,100 per person combined
Dental Care	<b>Dental coverage can be added at any time.† No restriction period before you claim full benefits. Reimbursement is based on the current year's Ontario Dental Association fee guide.</b>	Restricted to only \$100 for first 12 months if you join at a later date. Reimbursement is based on the current year's Ontario Dental Association fee guide.
Flexibility	<b>Ability to increase or decrease your coverage at your renewal (January 1) based on your changing health and finances</b>	Only one plan to suit all ages and needs
Value Added Services		
Complimentary services available through the health benefits plan.	<ul style="list-style-type: none"> <li>• <b>CAREpath - A Cancer Assistance Program</b></li> <li>• <b>Express Scripts Canada Pharmacy - A home delivery program where you receive 100% coverage for your generic maintenance prescription drug expenses (or 90% of brand name prescriptions)</b></li> <li>• <b>Edvantage rewards program - Access to special offers, contests and events</b></li> </ul>	RTO does not offer these benefits

\*For a detailed comparison of all five ARM health plans, please visit [otip.com/JoinArm](http://otip.com/JoinArm) for more information.\*\* Gold Elite is the only ARM plan with an age limit. Once you turn 65, this plan terminates, and you are automatically enrolled in the RTIP Gold plan (with a \$750 drug maximum), unless you select a different ARM plan.†You must remain enrolled for at least 12 months after adding dental care to your health benefit plan. If you decide to cancel your dental coverage after the minimum 12-month requirement, you must wait 24 months before you can repurchase this benefit.



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# Teachers Life

*Life is for living*

## Invest and Insure

### Teachers Life Online: A New Way to Buy Life Insurance

Now you can buy life insurance online with Teachers Life. Our online tool is simple, secure, and easy to use. Whether you are re-evaluating your current financial situation or buying insurance for the first time, Teachers Life makes it easy to assess your coverage needs. And buying insurance has never been easier!

#### **New Website Makes Buying Insurance Easy!**

After a lifetime of hard work, you need to protect the assets you've acquired. Determining how much life insurance you need is personal, and can be complex. At Teachers Life, we can make the process easier. Our online calculator is simple to use and will provide you with a quote within minutes. If you apply online, you can have comprehensive coverage in force immediately.

Our online Term Life insurance plan is extremely flexible. You can tailor the coverage term from 10 to 30 years. Coverage amounts are available from \$25,000 up to \$500,000, depending on your age and existing coverage. The plan provides a lump sum insurance payment in the event of death during your coverage term. Our coverage is available to members of the education community, their spouses and adult children.

Our Term Life plan is fully underwritten. But unlike other providers, our online medical assessment means no appointments, no doctor visits, no blood tests, and no waiting for a decision. Visit [teacherslife.com](http://teacherslife.com) today!

#### **Teachers Life Was Created by Teachers for Teachers**

Over our 75 year history, we've

always been dedicated to the needs of the education community and their families. As a not-for-profit organization, Teachers Life redirects surplus funds back into the company to maximize operations and maintain our competitive premium rates. We're also proud to offer our Members many valuable Benefits, such as Will and Power of Attorney Rebates, Healthy Living Rebates, and the Scholarship and Bursary Programs for children and grandchildren of our Members.

#### **Visit [teacherslife.com](http://teacherslife.com) today!**

If you have any questions please contact Duane Young at [dyoung@teacherslife.com](mailto:dyoung@teacherslife.com) or by phone at 416-620-1140 ext.331 or toll phone 1-800-668-4229, Monday to Friday between 8:30 - 4:30. Like us on [facebook.com/teacherslife](https://www.facebook.com/teacherslife), follow us at [twitter.com/teacherslifeCAN](https://twitter.com/teacherslifeCAN) and go to [teacherslife.com](http://teacherslife.com) today!

# Festive Holiday Celebration

*Much socializing, music and laughter made this event memorable*

BY KARMA NAIKE

ARM C12's holiday celebration on December 3, 2014 reflected *the spirit of the season* in its joyous gathering of members and friends, beautiful music, responsive carol singing, feasting in good company, conversation and laughter, and in its outreach to the community.

Folks arrived at the Latvian Canadian Cultural Centre around 10.00 am and with the melodic steel pan music playing, the smell of fresh coffee, the tone that invoked smiles and hugs on this crisp late Fall morning was set. This greeting session lasted for about an hour.

The program began with a warm welcome by President Manfred Netzel, and MC Karma Naike invited us to introduce ourselves to someone new to us immediately after the singing of "Auld Lang Syne." The guest artists were soprano soloist Elisabeth Gsoels, classical pianist Mila Filatova, pannists extraordinaire Pan Man Pat Mac Neilley and Earle La Pierre. The brilliance of the soloist was evident in the operatic style of one of her renditions. It was wonderful to



Left to right, Charles Hawkes, Jim Mile and Allan Hux bring *The Grinch Who Stole Christmaa to life*

witness Pan Man Pat spontaneously join in with the pianist's accompaniment. Pan and piano, great stuff!

Besides the carol singing, dramatic

poetry reading by Allan Hux and friends Jim Mile and Charles Hawkes has become a popular feature. Their reading of "How The Grinch Stole Christmas," while catching the targeted children, Julia Harney and Rosemarie Mohring, snoozing was fun. A great time!

Besides concluding with a sumptuous holiday turkey dinner with all the trimmings, it is noteworthy that folks donated food for the Daily Bread Food Bank which was carted to a fire hall by Jim Mile, and subsequently Manfred Netzel presented an ARM C 12 cheque for \$500 at the CBC's Daily Bread Food Bank Drive. With more than seventy folks in attendance, our FH Celebration was joyful. A note of appreciation to Steve O'Brien for producing a beautiful program and napkin, Jim Loftus, Marion Evans, and Ginny Maxwell for their door services, and to all who attended. It was a great time, and we look forward to a wonderful 2015.



Daily Bread Food Bank executive director Gail Nyberg was delighted to accept a \$500 cheque from ARM Chapter 12 president Manfred Netzel .

Considered

# ***The Entrepreneurial State: Debunking Public vs. Private Sector Myths***

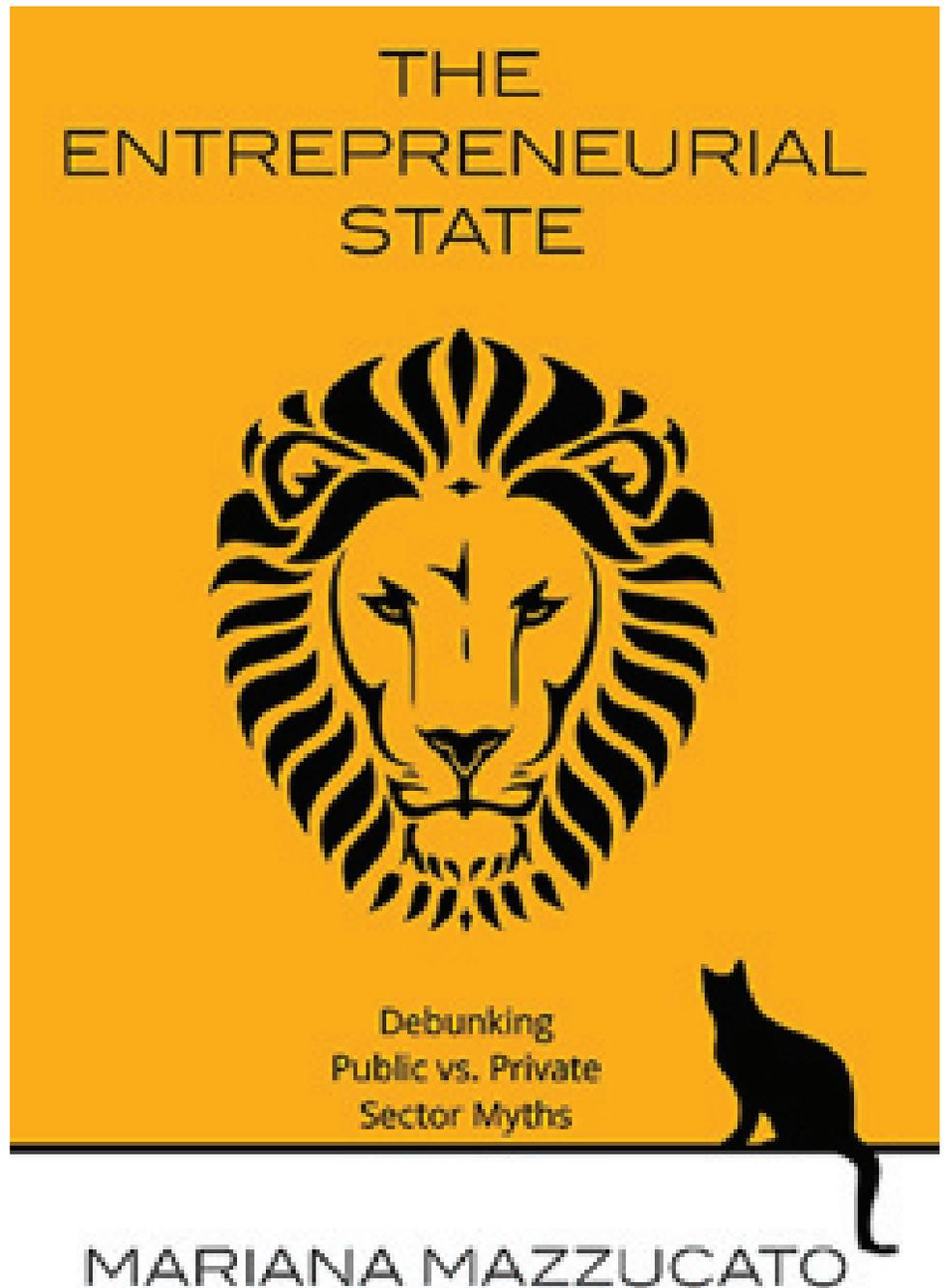
By Mariana Mazzucato

REVIEWED BY DAVID SCHREIBER

Champions of the free market call for the government to play a minimal role in the economy. They see government as useful in setting the conditions, and providing incentives, for private enterprise, and they might allow that government has a limited role in fixing a few things that the market fails to provide, such as roads and pollution cleanups. But essentially the public sector is regarded as fearful, sluggish, and bureaucratic – the enemy, a dead hand on the economy. Dynamism is the result solely of private sector activity. This is the view of most businessmen, politicians, media pundits, and, because of their combined influence, large swaths of the general public.

In *The Entrepreneurial State: Debunking Public vs. Private Sector Myths* Mariana Mazzucato provides a correction to this view, pointing out the central role that the government plays in innovation. Drawing mostly on the US experience, the epicentre of innovation, she demonstrates that the pussy cat in innovation has been the private sector while the state has been the lion. The state, not the private sector, has led the way in virtually all the fundamental breakthroughs, whether in such areas as nanotechnology, pharmaceuticals, computers, the Internet, or GPS. The state has been the entrepreneurial actor in the economy, taking on the riskiest projects, accepting the certainty of a high failure rate, constantly

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forging into the unknown while the private sector hung back. It is important to realize, she says, that the state does much more than

merely undertake and fund basic research, where high costs and long time horizons hold off the private sector; it also provides the initial

impulse, the creative vision that gives direction to research. And, far from simply handing over the results of its basic research to the private sector, it often has to provide assistance along the entire process of commercialization, including the task of creating and stimulating markets through government procurements. Only after the heavy lifting has been done by government does private venture capital and the entrepreneurial individual take an interest.

A professor in the Economics of Innovation at the University of Sussex, Mazzucato provides ample support for her view with data, charts, case studies, citations, arguments and counter-arguments. She takes Apple as the prime example of the relationship between public and private sectors in the area of innovation, devoting an entire chapter to the company. When Apple was still a computer company, it was struggling and faced a very uncertain future. Then it produced a wave of new products, the iOS family (iPod, iPad, and iPhone) which created sudden success of astronomical dimensions. But, Mazzucato insists, Apple had nothing to do with developing the twelve key technologies underlying its earth-shaking new products. For decades, it was the US government that worked on the core technologies exploited by Apple, such as the multi-touch screens, the advances in batteries, microprocessors and micro hard drives, the voice-recognition technologies behind SIRI (Apple's virtual personal assistant), GPS, and the creation of the Internet. Apple has been undeniably brilliant, but not in technological innovation; its genius lies in recognizing opportunities in emerging

technologies, in the integration of existing technologies, in product design, and in marketing. When R&D investments are compared between Apple and similar companies such as Microsoft, Samsung, Sony, Google, and HTC, Apple's commitments are revealed to be decidedly modest. Apple has ridden a wave created by the innovative public sector, enabling it to achieve annual sales of over \$100 billion, an annual profit of \$30 billion, and a market capitalization of \$663 billion. This pattern of reliance on and exploitation of public sector discoveries is repeated across all the high-tech fields, with the pharmaceutical industry being another fine example.

The rewards these companies reap are far out of proportion to their own input and the risks they take. The innovation system has become what the financial system was revealed to be in the 2008 crisis – the socialization of risk and privatization of reward. It is not a rational system. Mazzucato calls the public-private relationship parasitic rather than symbiotic. Most importantly, the system is not sustainable in an era of enormous national debts. The state, argues Mazzucato, should get some return from its enormous investments in order to cover the costs of the many failures inevitably bound up with the earliest and riskiest phases of R&D, as well as to fund future innovations. Mechanisms might include royalties, patents held by the government, the state holding equity in companies, or state development banks, which have



proven their worth in Germany, China, Norway, and Brazil.

It is no defence of the current system to suggest that the state gets its rewards in the form of taxes and employment. With globalization and changes in corporate culture, it is now corporate practice to avoid taxes through complex schemes involving shell companies set up in dozens of jurisdictions around the world, at the same time that tax cuts are demanded as “encouragement” to business. Manufacturing jobs are largely shipped offshore, where wages are at rock bottom. In the case of Apple, most of its American workforce is left in low-wage retail stores.

*The Entrepreneurial State* is not anti-business, and it does not argue for government to be the big player throughout the economy. Its purpose is simply to create a clearer picture of how innovation really works with a view to educating policymakers and the public. Once the state becomes clearer and more confident about its role in innovation, a more rational and sustainable system can be constructed, based on a realistic assessment of risks and rewards for the various actors in the process.

# Heirs to Forgotten Kingdoms: Journeys Into the Disappearing Religions of the Middle East

By Gerard Russell

REVIEWED BY DAVID SCHREIBER

When ISIS swept into Iraq from Syria in the summer of 2014, driving a group of religionists known as the Yazidi onto Mount Sinjar, not only aid workers were sent scrambling. Journalists, too, were



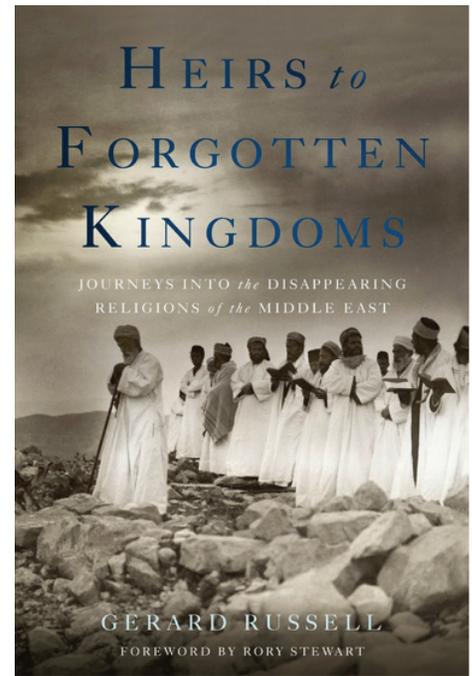
**Yazidi Peacock Angel, worshipped as representing Azazael or Satan, who for Yazidi repented and was restored to heaven**

caught flatfooted. Who are the Yazidis? Aren't they Muslims? What do they believe? Why does ISIS call them devil-worshippers? There are answers to these questions and many more like them in *Heirs to Forgotten Kingdoms: Journeys Into the Disappearing Religions of the Middle East* by Gerard Russell, a scholar and former diplomat for both the UK and the UN, fluent in Arabic and Farsi. Writing in an easy travelogue style, with descriptions of the land, the people he meets, their beliefs and practices, adorned with abundant historical quotations, he presents a Middle East that is surprisingly variegated not only in ethnicities but in religions as well. Behind the Muslim monolith that we tend

to imagine lies a colourful, fascinating welter of minority religions with roots stretching back to Babylonian times and earlier.

Journalists found little to say about Yazidis because Yazidis themselves know little about their faith. Theirs is a mystery religion whose truths are revealed only to the clergy in secret meetings and ceremonies, while the laity is allowed to know only some customs and rituals. Why are Yazidi forbidden to eat lettuce? No one knows. Why are they forbidden to wear blue? It's a mystery. The Yazidi may be an offshoot of the most famous of all ancient mystery cults, the cult of Mithras, wildly popular in the Roman army. It was near Yazidi territory that Roman soldiers first discovered the cult of Mithras while fighting the Persians, adopting it so passionately that in the western parts of the empire, Mithraism resisted Christianity for several centuries. There are similarities between the Yazidi religion and the cult of Mithras: both pray three times a day with a girdle around the waist, both show a special reverence for the sun, and both include a key ceremony involving the sacrifice of bulls. And, what's been passed down even to us today, is the custom of greeting someone with a handshake, a practice that the Yazidis appear to have copied from the cult of Mithras.

ISIS is almost correct in accusing the Yazidi of devil worship. They do revere Azazael, one



of the “emanations” of the supreme being, the greatest of all the angels who rebelled against God and was cast out of heaven, known to others as Satan (the Yazidi have a horror of pronouncing the name Satan). However, in Yazidi stories, Azazael repented, extinguished Hell with his tears and was restored to his preeminent place among the angels, turning their worship of Satan into the worship of the redeemed chief angel, a figure of goodness, not of evil. ISIS fails to appreciate this distinction. Azazael is represented in Yazidi iconography by the figure of the Peacock Angel. Why a peacock? That's another mystery.

Russell devotes a chapter to each of six other religions. The Druze are the



**Zoroastrian temple**

Mormons of Islam in that they accept a revelation different from that of mainstream Muslims. Like the Yazidi, they restrict knowledge of their religion to a priestly caste who devote themselves to lives of contemplation and poverty. The laity are known as “the ignorant ones.” The group nearest to extinction is the Samaritans with only 750 adherents. Calling themselves the true descendants of the ancient Israelites, more faithful

known, in name if nothing else, because Zarathustra, their founder, is memorialized in the title of Nietzsche’s *Thus Spake Zarathustra* and Richard Strauss’s tone poem, used in *2001: A Space Odyssey*. Their branch in India, known as the Parsees, were often written about by the British in colonial times, who thought very highly of them. Founded about 1000 B.C. with a dualistic outlook that sees the world as a constant battleground between the



### The fravahar or bird-man symbol, symbol of Zoroastrianism

religion was passed down to them from the Garden of Eden as secret teachings whispered into the ear of Seth by his father, Adam. And there are digressions on other groups, such as Manichees, Alawites, Babis (later to become Baha’is), Kam, and Harranians.

All these minority religions of the Middle East have survived through many centuries largely by retreating to remote areas, such as mountain valleys or the vast marshlands of southern Iraq, where earlier governments had difficulty reaching them. Today, with better transportation and communications and with the rise of extremist forms of Islam, they are under threat. It is quite possible that some, despite having maintained a continuous, living connection with the earliest periods of recorded history, will disappear within a few decades.



**Lalish, north of Mosul, is the most important Yazidi shrine, revered as the place where creation began. Fluted towers represent the rays of the sun, which the Yazidi see as “the light of God”**

and more pure than the most orthodox of Jews, they accept only the Pentateuch (or Torah, the first five books of the Old Testament), rejecting all scriptures, teachings and practices that came after 597 BC when the Jews were exiled to Babylon. Austerity is the watchword of Copts or Egyptian Christians, who fast 210 days of the year. Their religion has echoes of the Egypt of the pharaohs: even in their church in London they pray for the “rising of the water of the rivers,” follow a pharaonic calendar, and maintain that the psalms of David were written by the pharaoh Akhenaten, father of Tutankhamun. Zoroastrians are well

forces of good and evil, Zoroastrianism appears to have influenced several later world religions. It teaches that the souls of those who choose to do good in life are rewarded with an eternal life in heaven, with hell awaiting the others. And their sacred book, the Avesta, prophesies a Messiah or redeemer who will lead the armies of good in their final battle, which will conclude with the end of the world and the resurrection of the dead. The Kalasha, the “last pagans of Pakistan,” all four thousand of whom live in three remote valleys in the mountains of the Hindu Kush, are given a chapter, as are the Mandaean, who believe that their



**Zoroastrian priest, his mouth veiled by a cloth mask to prevent contamination of the holy fire by breath or spittle**

# Pension News

***TPP, OMERS and HOOP join forces against pending federal legislation to prevent 'systemic risks' in the financial system by forcing pension plans and others to buy or sell particular securities, increase capital reserves, or abandon a merger***

**BY CHARLES HAWKES AND PAUL HEADDON**

Teachers' Pension Plan has joined with pension funds representing municipal workers (OMERS) and health workers (HOOP) in opposition to inclusion in the federal government's plans to reduce 'systemic risk' in Canada's financial markets. Why are they so opposed to what appears to be a reasonable idea after the financial crisis of 2008?

First, some background. The proposed federal legislation has two parts. One would create a national securities regulator to replace the 13 separate regulators for each of Canada's 10 provinces, and 3 territories. Governments and financiers have called for one for decades. Canada is the only advanced country in the world without a centralized agency to supervise financial markets. Regulations differ between provinces, and a decentralized system complicates buying and selling of securities and the policing of the provincial markets that sell them.

So far, negotiations in the last year have resulted in five provinces, including Ontario, agreeing to co-

operate with the federal government to proceed with a national agency. This part of the draft legislation is largely without controversy. It's the second part of the bill that has caused the pension funds to voice their opposition. The federal government wants the power to order all financial institutions – banks, insurance companies, brokerages, credit rating agencies including pension funds to take steps to prevent 'systemic risks' in the financial system. This could mean requirements to buy or sell particular securities, increase capital reserves, abandon a merger – any action deemed necessary to prevent a market collapse. Failure to comply would mean a \$25 million fine.

The three pension funds state that pension plans should be exempted from the act. They argue that pension funds are different from other financial institutions. Pension funds are not driven by the desire for the highest possible returns at the lowest cost. They are conservative by necessity in their investments because they must take the long view to provide income

for members for many years into the future. In contrast, brokerages or other large funds often make their returns by buying and selling securities quickly. Pension plans however, receive a constant stream of income from working members, seldom borrow, rely upon a diverse range of investments for safety, and in general, act as stabilizers in the financial market place. Requiring them to buy or sell certain of their investments in a downturn along with other financial institutions would undermine the careful actuarial projections pension plans make to provide secure pensions for their members. The three pension plans will be watching the progress of this legislation carefully.

Teachers' Pension Plan recorded a healthy 10.9 per cent return for 2014, and now has a 5.1 per cent funding surplus. This allows it to partially restore inflation protection for the 2010-13 period. Recent acquisitions by the fund included a 19.2% investment in Birmingham (UK) airport, and stakes in two US companies, Pet Vet Care, and Shearer's Snacks.

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## Continued from page 3

in Ancaster starts @ 9:30 am Luncheon location is Coach & Lantern Tavern, 384 Wilson St. E. in Ancaster. Starts @ 11:30 Contacts: Chester Faulknor or Frieda Smyth 905 574-8285 or Frietz@aol.com

**Chapter 22 (Niagara)  
February 18 New Niagara Outlet Mall**

**in St. Catharines Excursion.** Meet for lunch, then shop 'til we drop. Contact: Ray Marshall, rmarshall23@gmail.com

**March 18 Monthly Chapter Breakfast @ Angel's Diner,** 395 Ontario St. in St. Catharines. Starts @ 9 am. Contact: Ray Marshall

**Chapter 29 (Hastings- Prince Edward)  
February 19 Monthly Chapter Breakfast & OTIP Travel Presentation @ Northway Restaurant.** 205 North Front St. in Belleville starts @ 8:30am. Contact: Jim Stewart armdistrict29@gmail.com