

August 6, 2014

To: CUPE Local Presidents

Dear Brother/Sister,

RE: SPLIT PENSIONS AFTER A JOB TRANSFER

Recent pension regulation changes may allow some of our members to transfer older pension credit to their current pension plan.

These changes only affect members who – as a group – had their work moved or transferred from the Ontario Government or an agency of the Ontario Government to a successor employer, are still employed by that successor employer and, as a result ended up with two pension plans. The best example of this occurred during the Harris government, when jobs were downloaded from the provincial government to municipal governments and some members ended up with pension service in two different plans.

Previously, members were required to keep two separate pension plans and for some that would result in a lower overall total pension payment. Now, transfers are possible due to recent pension legislation changes and a pension transfer agreement between Ontario Municipal Retirement System (OMERS) Administration Corporation, Healthcare of Ontario Pension Plan (HOOPP), Ontario Pension Board (OPB), and OPSEU Pension Trust (OPT).

Letters from pension plans are currently being mailed out to members who may be eligible for this transfer. Based on individual circumstances, it may be advantageous for some members to transfer their pension, and for other members, it may be advantageous to keep the plans separate. Members may ask for assistance in understanding the options available.

What you need to know

- A transfer option from the old pension to the current pension is now possible on a limited, one-time basis.
- Due to the variety of individual circumstances, there is no one best answer on transfer options for members. Each person needs to consider their own situation and make the decision that is best for them and their family.
- Members should be encouraged to seek independent financial advice to assist in making a decision that's best for them and their families.
- Members should update both their old and current pension plan with their correct contact information so that they will receive their letter detailing their personal calculations.

- Pension plans have differing requirements and eligibility for transfers. It is best to visit the applicable sites below and overview their stipulations. Pension plans also have staff that are able to directly assist plan members by phone.

Thank you for your assistance in this matter.

In solidarity,



Linda Thurston-Neeley
CUPE Regional Director – Ontario



Fred Hahn
President, CUPE Ontario

Further information:

Regulations (ONTARIO REGULATION 308/13)

http://www.e-laws.gov.on.ca/html/source/regs/english/2013/elaws_src_regs_r13308_e.htm

OMERS

http://www.omers.com/pension/Members_Divestments.aspx

HOOPP

<http://hoopp.com/Members/Newsletter/Announcements/Past-divestment-transfer-webcasts/>

OPT

<http://www.optrust.com/AboutOPTrust/News/Pension-Divestment-Transfer-Agreement-Signed-FAQs.asp>

OPB (awaiting governmental approval)

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