

OMERS By-Law Changes Update

Background

In October, CUPE Ontario was made aware of a series of proposed by-law amendments being considered by the OMERS Sponsors Corporation (SC) Board. These changes, which included dramatic changes to the governance of OMERS, were voted only a few weeks later, on November 14th. These By-Law changes all required a simple majority to pass.

Working with allies, CUPE Ontario launched a campaign to protect members' rights in the governance of their pension plan. In a few short weeks, OMERS plan members were able to successfully push back several of the changes. Unfortunately, many other changes were adopted. Some of those changes were not officially communicated to Sponsors – like CUPE Ontario – in the limited documents provided by OMERS. Despite repeated requests, CUPE Ontario, was never provided a formal copy of the proposed, tracked, By-law changes by OMERS.

Our Analysis and Your Right to Know

As a result of OMERS refusal to formally provide CUPE Ontario and plan members with the actual text of the By-Law changes, the only way to do a full analysis of what the OMERS SC Board voted to change on November 14th was through a side by side reading of the “old” and new By-laws. CUPE has now completed that process which is summarized below.

Plan members have the right to know the full details of OMERS By-Law changes – both before and after the vote. OMERS has finally provided this information on its website. Please click [here](#) to find tracked copies of all the By-Law changes the OMERS SC Board adopted on November 14th.

What we preserved – An Important Victory

- The right of Sponsors – like CUPE – to directly appoint our Representatives to the OMERS SC Board which makes decisions about critical pension benefits.
- The right of Sponsors – like CUPE – to remove our Representatives on the OMERS SC Board if we decide they aren't representing the best interests of members

What the OMERS SC Board Voted to Change – A Disturbing Pattern Emerges

- **All OMERS SC Board meetings and materials are now confidential.** This means our CUPE Ontario OMERS SC Board Representatives will be prevented from sharing fulsome information, like future proposed by-law changes, with all of us unless the SC Board votes to make decisions non-confidential. This will dramatically impact all OMERS plan members' right to know about important issues in their pension plan.
- **OMERS has removed the requirement for equal worker and employer representation** on OMERS SC Board Committees. Since equal representation is an essential part of a Jointly

Sponsored Pension Plan like OMERS, this is a disturbing move away from truly joint governance of our pension plan.

- **The OMERS SC Board has voted to end the equal worker/employer Co-Chair model** in favour of a Chair/Vice-Chair model. The Vice-Chair is a lesser role and there's no requirement for rotating between worker and employer representatives. While there is a transition period, in a few short years this could result in both the Chair and Vice-Chair of the OMERS SC Board being employer representatives. This is also a serious move away from the joint governance of OMERS.
- **The OMERS SC Board has voted to change how their remuneration is paid**, ensuring Board members are paid directly by OMERS and not through their Sponsors, for things like lost time, as is the practice for some worker-side representatives.
- **Encoding a narrow and misleading interpretation of corporate fiduciary duty** which CUPE Ontario believes is designed to further separate OMERS SC Board Representatives from the plan members they represent. *This change was NOT disclosed in the official information prepared by OMERS for Sponsors like CUPE.*
- **Completely re-writing the confidentiality policy**, further reducing the transparency and accountability of the OMERS SC Board to the plan members they represent. *This change was NOT disclosed in the official information prepared by OMERS for Sponsors like CUPE.*
- **Transferring roles and responsibilities from the representative OMERS SC Board Chairs to the hired CEO** of the OMERS SC Board. As an example, the staff-position CEO will now be the chief spokesperson. *This change was NOT disclosed in the official information prepared by OMERS for Sponsors like CUPE.*
- **Removing all references to employee and employer side Member Groups** which means there will be no more worker or employer caucuses during OMERS SC Board meetings. This would be like not having union caucuses during bargaining and diminishes the ability of our Representatives on the OMERS SC Board to bargain on the behalf of the workers they represent. *This change was NOT disclosed in the official information prepared by OMERS for Sponsors like CUPE.*

Throughout this incredibly frustrating By-Law change process, CUPE Ontario worked with our allies, our SC Board Representatives and thousands of OMERS plan members to fight for our rights at our pension plan. While there were some important victories, we are deeply disturbed by the changes that were made to OMERS' governing documents without proper notice, disclosure or consultation. As the union representing almost half the active plan members in OMERS, CUPE Ontario knows it is our duty to act as the guardian of not only plan members' assets and retirement benefits, but their central role in the governance of this plan. We will continue to take whatever steps are necessary to protect CUPE members' rights and retirement income security in OMERS.