University Pension Plan (UPP) Update

Work is continuing to enable the creation of a new jointly sponsored pension plan (JSPP) for the University sector, to be known as the University Pension Plan Ontario (UPP).

The UPP is being pursued to protect plan members’ existing accrued benefits and to provide them with long-term and financially sustainable defined benefit (DB) pensions into retirement. JSPPs are recognized globally as a proven model that can generate higher-return and more stable investment opportunities by pooling funds across a larger membership base. It is the same model used by other notable pension plans such as the Ontario Teachers’ Pension Plan, OMERS (municipal employees) and CAAT (colleges). The creation of the UPP will involve the merger of the existing pension plans at the universities of Toronto, Guelph and Queen’s into the new plan, with all pension amounts earned prior to the start of the UPP protected. The pension benefits of retired members will not change.

Over time, it is our hope that other Ontario Universities will join the UPP as well.

Under the current timeline, the application for approval of the conversion of existing plans into the UPP will be submitted to provincial regulators by December 31, 2019. This deadline allows enough time for the approval process to take place before the UPP effective date of July 1, 2021.
The University of Toronto, University of Guelph and Queen’s University, together with their faculty associations, the United Steelworkers (USW) and representatives of the non-unionized employees at the three universities (through the Ontario Association of Non-Unionized University Employees) – have been working hard to ensure the groundwork is done and all plan members will have the information they need to make an informed decision when they are asked to vote on the issue in early 2019.

Since our last update, these groups have worked together on the following activities:

- Groups representing the universities and employee groups met with the Ontario Ministry of Training, Colleges and Universities and Ministry of Finance to report on progress and discuss the necessary regulatory changes that will be required to transition to a JSPP;
- The faculty associations and the United Steelworks have met to discuss the ratification process and will undertake that process in early 2019. The regulatory consent process will take place thereafter; and,
- Committees have been struck on Governance, Labour and Communications and they will assist in the transition and to ensure that all employees are fully informed of activities and events as they occur.

In the months ahead, we will continue to share information and updates on the UPP’s progress. We are in the process of scheduling further education and information sessions for plan members to take place this fall at the three universities.

Details of the UPP plan design are available on the UPP website. If you have not done so already, we encourage you to visit the UPP website at www.universitypension.ca to find additional information or ask any questions you may have.

You can also ask questions directly to the pension department at each of the universities using the address below.

University of Guelph: upp@uoguelph.ca

Queen’s University: Robert Weisnagel, Director, Pension Services, 613-533-6000 ext. 74184 bob.weisnagel@queensu.ca

University of Toronto: Richard Ashmore, Pension Specialist, richard.ashmore@utoronto.ca