

Retirement Policy

Policy

The normal retirement date is the end of the month following the employee's 65th birthday.

In addition, a number of other options are available including early retirement, pre-retirement part-time appointment, stepped retirement, and postponed retirement.

While mandatory retirement has been eliminated, the University will continue to use the normal retirement dates described above as benchmark dates for retirement and benefit planning purposes.

Procedures

Employees should notify Pension Services at least four months prior to their anticipated retirement date. Written notice to their department should follow the terms of their collective agreement, if applicable. Retirement documentation is sent out approximately two months prior to the employee's retirement date and is due back to Pension Services one month before the retirement date.

Retirement at Age 65

Approximately one year before an employee's 65th birthday, the Pension and Benefits Unit of Human Resources writes a letter to the employee which outlines the benefits issues relating to the retirement and summarizes the benefits coverage which will apply at their normal retirement date.

Approximately six months prior to the employee's normal retirement date, the Pension and Benefits Unit notifies the department head of the staff member's department, and the employee receives a letter that outlines certain pre-retirement procedures (application for government benefits, etc.). The employee is also asked to contact the Pension and Benefits Unit to either finalize their retirement plans or to confirm that they will continue in their current appointment beyond their normal retirement date.

For all pre-normal retirement date options, individual arrangements must be mutually agreed upon between the employee and the department head/director, with final approval from the appropriate dean or vice-principal. In considering these options, departments should review the needs of the entire department as well as those of the requesting employee. Departments may wish to discuss available options with the Human Resources Department, while employees may wish to discuss their retirement options with staff in the Pension and Benefits Unit.

Early Retirement

Any employee may retire before their normal retirement date on an actuarially reduced basis. Pension values and access to retiree group benefits will be determined according to the applicable rules in place as at the employee's early retirement date.

Pre-Retirement Part-Time Appointment

In the case of a general staff member who holds a continuing full-time appointment and who is aged 60 or over, an employee may request a pre-retirement part-time appointment. This reduced period of responsibility may be in the form of a shorter work year, week or day. Such reduced periods of responsibility may be less than a 60% appointment, but normally will encompass at least four months in the year or 12 hours per week.

For these staff members the University will maintain its share of benefits on the nominal salary and will also pay the employee's share of pension costs on the difference between the nominal and actual salary.

Stepped Retirement

Stepped retirement is a reduced period of employment in the year or two before normal retirement, with the balance being taken in the equivalent year or two after retirement. For example, a general staff member at age 63 could reduce their work level to 2/3rds of normal for the two years immediately before the normal retirement date. In this case in the two years immediately following the normal retirement date, such a staff member would work at 1/3rd of the normal work level.

In order to protect pension levels, contributions both by the University and the staff member are based on the full nominal salary and continue up to the normal retirement date. Whether or not pension payments commence at the normal retirement date or are deferred until completion of the extended responsibility period is at the discretion of the staff member.

Working Past Normal Retirement

The Ontario Government announced the elimination of mandatory retirement at age 65, effective December 2006.

Pensions

Plan members who continue to earn a salary beyond their normal retirement date and reach their normal retirement date prior to July 1, 2021 have several options, including drawing a pension:

continue to contribute to the pension plan, and accrue service credits accordingly, until their postponed retirement date no later than October 31 of the year in which they reach age 71;

cease making contributions to the plan as of their normal retirement date and defer the start of their pension until their postponed retirement date, no later than October 31 of the year in which they reach age 71 as above (pension will not be earned after contributions end); or elect to begin receiving a pension as of their normal retirement date.

Benefits

Please visit our **Retiree Benefits** page for information.