



OFFICE of THE
VICE-PRESIDENT

FINANCE, ADMINISTRATION & RISK

September 13, 2018

To: All University of Guelph Pension Plan Members

Re: **University Pension Plan Update**

We want to update you on the work that is continuing on a new jointly sponsored pension plan (JSPP) for the university sector; the University Pension Plan Ontario (UPP).

The University of Toronto, Queen's University and the University of Guelph, together with their faculty associations, the United Steelworkers (USW), and representatives of non-unionized employees at the three institutions are leading the development of the UPP as part of their commitment to the long-term sustainability of defined benefit (DB) pensions for university sector employees across Ontario.

Moving to a JSPP provides an opportunity to maintain sustainable pensions for the Ontario university sector. We are making these changes to ensure the long-term future of our pension plan and give our employees predictable benefits they can count on in retirement.

It's important to understand that there would be no negative impact on the monthly pensions of retirees already drawing pensions on the date of changeover to a JSPP. There would also be no negative impact on pension benefits earned by employees for service before the new plan's inception date.

Currently university administrations are reaching out to the new Ministers and their staff in the Ontario Government to ensure they are fully briefed on the importance of the UPP initiative to the entire university sector. The university administrations look forward to working with the new Government to build an efficient and sustainable pension model for the university sector.

Building the UPP is a long-term project and over the last six months university administrations, in collaboration with various employee groups, have made great progress. Some of that work includes:

- Meeting with the pension regulator to discuss and ensure agreement on the steps necessary to complete a successful implementation of the new UPP.
- Establishment of a joint advisors group between the university administrations and employee groups to review and determine the appropriate treatment of a myriad of UPP design issues;
- Establishment of a joint working group on governance that met through May and July, including in depth meetings with experts from the existing JSPPs in Ontario to inform the creation of a governance structure for the UPP;
- Drafting the notices that are required under the regulatory process to obtain the consent of the members of the existing university plans. You will be hearing more about the consent process in the months to come from the universities, faculty associations, unions and other employee groups.

In the months ahead, university administrations will continue to work with employee groups to provide information across the three universities. We will also work to prepare and negotiate legal plan documentation, refine the governance structure, and address transition matters.

If you have not done so already, we encourage you to visit the UPP website at www.universitypension.ca. There you will find additional information on the UPP and can submit questions.

If you have any questions, please email the university at upp@uoguelph.ca