



Pension security for our older and younger members alike

Dear USW members at the University of Toronto, the University of Guelph and Queen's University,

This is the third in a series of shared USW newsletters for all three USW local unions about the University Pension Plan (UPP).

This newsletter will discuss three aspects of the UPP that will interest older and younger members alike: **1) protection of past & earned service; 2) grow-in rights; and 3) mobility.**

Your service is protected

For members who have worked at the university for some years and are pondering retirement, the UPP fully protects all of your service earned under your current plan.

All of your years of service in your current plan are untouched and unchanged by the UPP. Your overall pension will consist of your current service and current pension benefits added together with your new UPP service and resulting pension benefits.

The UPP start date is projected to be January 2020, but it will take time to set things up and to do the complicated job of moving the assets from the current plans into the UPP. So, it's projected that the date that you actually will start to accrue benefits in the new plan would be July 1, 2021.

And, in addition to your past service in your current plan being unchanged and fully protected, it is also the case that because the UPP is a defined benefits pension plan, all accrued service and benefits earned going forward under the terms of the UPP is fully protected.

Grow-in Rights maintained

Unlike some other JSPPs, the UPP will be covered by the Pension Benefits Act's rules about "grow-in rights." This is an important benefit to longer service employees. When a pension plan provides enhanced early retirement benefits — for example, an unreduced early retirement pension — you may be entitled, through "grow-in rights" to the value of these enhanced benefits even though you do not meet the age or service requirements on the date your employment ends, or on the effective date of the pension plan's wind up. These rights apply if your employer terminates your employment without cause prior to retirement, or if the pension plan is wound up. To be eligible, the combination of your age plus years of continuous employment or plan membership must equal at least 55 — this is sometimes called the "rule of 55" - on the date of determination.

Mobility – an important UPP right

A point of interest particularly among some of our younger staff is mobility. The new UPP would allow an employee at any of the participating universities to move between participating universities and continue to grow their UPP pension with their new employer.

This means that university staff can choose to continue to work in our sector but can also seek a new challenge at a participating university. That could mean taking a job closer to loved ones or choosing to move to a preferred city, with the benefit of the UPP pension continuing to accrue.

At the UPP's inception, the participating universities will be the University of Toronto, the University of Guelph and Queen's University, but we have designed the UPP to accommodate growth across Ontario. Indeed, we fully expect other universities to join soon after the UPP's inception date.

Mobility within the UPP may well prove to be a very welcome addition to our terms of employment as university staff in the years to come.

Upcoming newsletters

Future USW pension newsletters will discuss other key aspects of the UPP, the USW ratification process and the government-regulated consent process, among other topics.

TO LEARN MORE ABOUT THE UPP



Visit www.universitypension.ca and make sure to register for updates. You can do so on the homepage or via its "Contact Us" tab. Also, visit your USW local's website for information.

USW Local 1998 – certified in 1998, representing 4,200 staff at the University of Toronto

USW Local 4120 – joined USW via merger in 2002, representing 800 staff at the University of Guelph

USW Local 2010 – certified in 2010, representing 1,200 staff at Queen's University

This document provides general information about jointly sponsored pension plans. It is not intended to be relied upon as legal or financial advice. Every effort has been made to ensure the accuracy of this information, but if there are any errors or differences between the information given here and the legal plan documents or applicable legislation, the legal plan documents or applicable legislation will govern.
