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Subject: FW: MEPCO Update: Comparable Pension Plan Exemptions from the ORPP Announced
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MEPCO Update: August 11, 2015

Comparable Pension Plan Exemptions for the ORPP Announced

Today, the Government announced several new design details of its Ontario Retirement Pension Plan (ORPP) including comparable pension plan exemptions and phasing-in for those workers determined not to be in a comparable pension plan.

In essence, all workers are to be in the ORPP or other equivalent workplace pension plan. The province will be establishing a process to verify comparable plans. From our initial review, the OMERS Plan as a Defined Benefit Plan has good benefits and longevity and will most likely meet the comparable exemption criteria announced today. “We welcome the government’s direction on this as exemption will be the best outcome for OMERS municipal government employers,” said AMO President Gary McNamara.

The MEPCO Board had previously made a submission on these design elements to the government on behalf of AMO. We met with the government to outline the adverse implications and additional cost impacts that non-exemption for OMERS would bring. “Today’s direction on exemption criteria means that the ORPP is unlikely to have a negative effect on the health of OMERS and its operation,” said Doug Reycraft, MEPCO President.

Also announced is a phase-in for those municipal governments with employees who are not members of their workplace’s comparable plan (i.e. OMERS and part-timers). Wave 4 appears to capture these employees and this Wave would see contributions start January 1, 2020. Over the coming weeks, we will work to obtain further information about Wave 4 and what it may mean for municipal employers.

MEPCO will monitor the government’s legislative process as it works to put the ORPP into place and continue to update its members on the ORPP design and implementation.

Background:

- i. Legislative History of the ORPP: The proposed ORPP was announced in the 2014 Provincial Budget. On December 8, 2014, the Government introduced Bill 56, the *Ontario Retirement Pension Act, 2014* to establish the operational framework and timing for the ORPP implementation. Subsequently on December 17, 2014, a consultation paper, “Ontario Retirement Pension Plan: Key Design Questions” was released to seek public input on major elements of the ORPP. Bill 56 received Royal Assent on May 5, 2015. The 2015 Provincial Budget Bill, Bill 91, *Building Ontario Up Act (Budget Measures), 2015*, established the Ontario Retirement Pension Plan Administration Corporation and confirmed the January 1, 2017 ORPP implementation date.

ii. [MEPCO's Response](#) to the Government's consultation on proposed ORPP design

iii. Link to [Government's August 11 Announcement on further ORPP design](#)

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