

SC confirms Plan changes

On June 21, 2017, the Board of Directors of OMERS Sponsors Corporation (SC) voted to make three amendments to the OMERS Primary Plan. These subtle but important amendments are the result of an annual decision-making process intended to keep our Plan meaningful, affordable and sustainable.

The amendments will be finalized at the Board's meeting of August 23, 2017. They are:

1. Commuted values and buy-backs

There are two new restrictions related to commuted values:

- a. Members who are eligible to choose a commuted value (CV) when they leave an OMERS employer must make that choice within six (6) months after terminating their employment, or by January 1, 2020, if later.
- b. Effective January 1, 2020, new members will have to wait five (5) years before they can buy back a period of eligible service for which they previously received a CV from OMERS.

2. Dual membership

Members will no longer be able to receive an OMERS pension while continuing to work full-time with an OMERS employer. This change applies to members who have more than one OMERS employment position (dual members), where at least one of those is a full-time position.

To give members adequate time to review their current employment status and retirement plans, this change will take full effect as of January 1, 2020.

3. Foreign service members

Starting August 23, 2017, OMERS employers will have the option to suspend participation in OMERS for those employees who are employed outside of Canada. Employers who make such an election will determine the appropriate transition for their affected employees.

The changes, with the transition measures, are balanced and fair to all members and employers, including those who may be directly impacted by the changes.

The first two changes, relating to CVs and pension commencement, will limit the use of certain Plan provisions that could give a few plan members an unintended benefit at the expense of the entire Plan membership.

The third change allows employers to avoid undue expenses related to providing a Canadian pension plan in a foreign state. At the same time, transition measures will give impacted members sufficient time to adjust to the changes.

“The plan amendments approved in principle by the SC Board are the result of a thoughtful and disciplined decision-making process that takes into account the perspectives of employers, employees and retirees. I am very pleased with the result,” said Frank Ramagnano, Co-Chair of the SC Board.

More details respecting the Plan changes will be released after the amendments are finalized and as the changes are implemented. “We are committed to providing our members and employers with all the information they need to plan for their financial futures,” said Marianne Love, Co-Chair of the SC Board.

For more information

For more information on the Plan changes – or the change process in general – please contact:

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