

Queen's employees and our pension future

A Joint Bulletin from CUPE, ONA, QUFA, QUSA and
USW

April 14, 2014

In recent provincial budget statements, the Ontario government has made known its intention to significantly reform pension plans in the broader public sector, including universities. Queen's administration continues to be concerned about the Queen's Pension Plan's (QPP) current solvency deficit and the resulting additional contributions to the Plan the University may have to make in a few years' time. The government has indicated that it will consider granting universities permanent relief from solvency payments only if significant changes are made to the plans.

In meetings convened by Caroline Davis (V-P Finance and Administration) on January 29 and March 17, the University administration indicated to representatives of CUPE, OPSEU, ONA, PSAC, QUFA, QUSA and USW that the administration was exploring the potential option of merging the QPP with the Colleges of Applied Arts and Technology (CAAT) Pension Plan. The CAAT Pension Plan is a defined benefit jointly-sponsored pension plan (JSPP). The basic elements of a JSPP are: governance is shared, and much more of the risk of under-funding is borne by plan members (active and retired) than in an employer-sponsored plan, by either increasing contribution rates or reducing benefits. The Council of Ontario Universities (COU) and the Ontario university union pension coalition (which includes USW, CUPE, OPSEU, OCUFA, Unifor, SEIU, and OSSTF) are also exploring the development of a voluntary university sector JSPP model. However, the Ontario Government has yet to draft legislation that would allow the transfer of university pension assets and membership into any JSPP, nor has the government made clear whether such legislation would include an exemption from solvency deficit funding for employers.

No plan changes can be imposed unilaterally by the University administration: they require the consent of the unions, as well as legislative changes. In any discussions, the Unions and Associations representing Queen's employees will strive to ensure that any changes to the QPP are in the best interests of all members. We are committed to protecting accrued pension entitlements, and to working together in unity. We pledge to keep you informed of any new developments.

Representing Queen's Employees:

