
3. And worse than the previously proposed modified indexing, OMERS is now proposing “conditional inflation protection” or conditional indexing.

Right now the OMERS pension plan has full, guaranteed indexing, to ensure your pension keeps up with inflation. As the price of goods and services increases each year, indexing helps you maintain your buying power in retirement since you know your pension will increase by the same amount.

The new proposal would remove guaranteed indexing as of 2025 and after that date indexing would only be provided if the pension plan meets specific conditions – some of which will be decided at a later date, behind closed doors and based on a financial management strategy that has not even been created yet.

Though they haven’t clearly defined the specific conditions, some of what they are proposing is:

- Indexing would continue only when OMERS is above 105% fully funded AND that the implementation of indexing wouldn’t cause the plan to go below 105% fully funded.
- In other words, the plan would have to be approximately 108-109% funded for plan members to receive any indexing.

This means that after 2025 it will be impossible for members to know when or if they will receive indexing, which is a huge loss of pension security.

These proposed changes represent a significant financial loss to OMERS pensioners.

We have people working on the exact calculations of what this will mean for you and your fellow members, but based on what we know so far, it would be in the ball park of 20% overall loss in guaranteed benefits going forward.

YOUR IMMEDIATE ACTION NEEDED

We must stop these changes from going ahead.

1. Send the new email to the chairs of the OMERS Sponsors Board and let them know you do not want them to go ahead with the proposed changes.

Visit: cupe.on.ca/omers-guaranteed-indexing to send the email.

2. Share this flyer with all the other members in your local so they know what’s happening and can also send the email to the Sponsors Board.

3. Let your union local know if you are contacted by OMERS to participate in a consultation of any kind so we can make sure that you have the accurate information you need and have good questions to ask during their presentation.