Dear fellow Contract Faculty,

Issue #3 Part 2: Pensions

For those of us fairly new to contract teaching employment, the idea of retirement-planning may seem like it's simply a "next decade problem". For many of us, however, the issue of being able to retire with the ability to sustain ourselves above the poverty line is a concern that looms above our heads daily!

Current State of Affairs

You are eligible to enrol in the Laurier Pension Plan (LPP) if, in each of 2 consecutive calendar years, you have either:

- earnings greater than 35% of the Canada Pension Plan Yearly Maximum Pensionable Earnings (YMPE); or
- have worked a minimum of 700 hours (the equivalent of teaching 3 courses).

> *2022'S YMPE IS $64,900*
> *∴ WE WOULD HAVE TO EARN AT LEAST $22,715 OR TEACH AT LEAST 3 COURSES IN 2 CONSECUTIVE YEARS TO MEET CURRENT LPP ELIGIBLITY REQUIREMENTS.*

If eligible, Laurier notifies you within one month of your reaching eligibility. If you don't currently have a contract but have met the eligibility requirements, then you are eligible to join the LPP the next time you do. If you go 24 months without a contract, however, your LPP membership is terminated.

Although these eligibility requirements originate with the Ontario Pension Benefits Act (PBA), **Laurier can choose** less stringent ones.

Future Importance

Currently, Laurier is considering converting its pension plan to the jointly sponsored University Pension Plan (UPP). The main advantage of this for Laurier is that it would get it out of the pension business and thus, realize significant savings. The pooling of pension funds also creates a more stable ground of investment for future retirees. So, it seems that the conversion to the UPP, should it come about, is good for Laurier and for its employees in the LPP. It could also, however, be particularly important to CF.

This is because the UPP includes the provision that once in the plan, CF can pool their pension contributions **across participating universities**. The list of participating members currently includes Trent, Toronto, Queens and Guelph but, once the UPP is put fully into place, the number is expected to grow eventually to include most, if not all, Ontario universities. For a group of instructors who frequently earn their living on multiple campuses, the importance of this pooling cannot be overstated. All CF pension contributions from any participating UPP university would be pooled in order to create a more stable income at the time of retirement.

Members, however, must first **BE** in the LPP in order to be included in the move to the UPP.

If Laurier agrees to broaden its pension plan eligibility, it would, therefore, benefit CF both now and at the time of the likely UPP conversion.

Our Proposal

Our pension proposal is that Laurier reduces the eligibility requirements for joining the LPP.

> *I HAVE TAUGHT 139 COURSES SINCE 1998. IF I CONTINUE TO BE OFFERED & TEACH THE SAME LOAD I DO NOW FOR THE NEXT 6 YEARS & IF MY COMPENSATION INCREASES BY 2.5% PER YEAR, MY LAURIER PENSION WILL BE $27,924. THE 'IFs' ARE WHY I DON'T SLEEP AT NIGHT.*

Given that 2/3 of us earn our entire living teaching at Laurier and see our work here as long-term, this proposal is important. With expanded opportunities to join the LPP, an actual retirement outside of poverty becomes more likely for many CF, but especially for younger CF who could potentially have more years to contribute to either plan.

After a career of teaching as CF at Laurier, we deserve the opportunity to retire with more than just our CPP, OAS, and, most likely, GIS (available to low-income Old Age Security pensioners).

We are not asking Laurier to change its calculation for years of service (great idea though) or to reduce pension contributions for CF. We are simply asking for the opportunity for more CF to be able to participate in the LPP. We have earned the right to retire with some financial security and our dignity intact. We should expect no less than this from a workplace that prides itself on equity.