

Smokey Thomas on pension plan surpluses

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Hi Jordan,
FYI – just moved. Smokey Thomas says his “fear” is that the government will try to move money out of public pension plans to help eliminate the deficit before the 2018 election, and is calling on the Premier to say she won’t do this.

News by Ontario Public Service Employees Union (OPSEU)
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Thomas to Wynne: "Pension assets belong to pension plan members"

TORONTO, Feb. 14, 2017 /CNW/ - Ontario Premier Kathleen Wynne would do well to remember who owns the assets of the province's jointly trustee public pension plans, the President of the Ontario Public Service Employees Union said today.

"The current dispute between the Government of Ontario and Auditor General Bonnie Lysyk over accounting practices is not just a paper war," Thomas said. "It's a fight over who owns billions of dollars earned by workers and invested on their behalf.

"I'm telling the Premier right now: the money in those plans belongs to plan members. It is not hers to play with."

Thomas said he "unequivocally supports" the Auditor General's position that surpluses in plans like OPTrust, the pension plan for 87,000 current and former OPSEU members, are not government assets because the government does not "control or have unilateral access to those funds," as Lysyk wrote in October 2016.

"OPTrust and other public sector pension plans exist for one reason, and one reason only: to provide people with the means to live decently in retirement," Thomas said. "That money is not there to pay for Liberal boondoggles or pay off Liberal deficits."

Pension surpluses are invariably temporary and are a necessary part of pension plans' long-term planning to ride out market downturns, the OPSEU President said. He expressed concern that the government's recent appointment of an expert panel to back its views on accounting rules was "step one in a two-step dance."

"My fear is that the Liberals will try to move money out of public pension plans to help wipe out the provincial deficit in time for the 2018 provincial election," Thomas said. "I'm calling on the Premier to come out and say she won't."

The average retired OPTrust member is 70.2 years old and earns a pension worth \$20,868 a year, according to the plan's 2015 annual report. OPTrust members work in the Ontario Public Service, at the Liquor Control Board of Ontario, and at other agencies of government.

SOURCE Ontario Public Service Employees Union (OPSEU)

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