



Municipal Retirees Organization Ontario

Protecting the Pensions and Enhancing the Quality of Life for all OMERS Pensioners

The Honourable Dwight Duncan
Deputy Premier of Ontario and Minister of Finance
7th Floor
Frost Building South
7 Queen's Park Crescent East
Toronto, Ontario

October 16, 2012

SUBJECT: Pension Benefits Act Provision to Permit RRIF-like Payments
from a Pension Plan

Dear Minister:

On behalf of the Municipal Retirees Organization Ontario (MROO) and on behalf of all 118,000 OMERS pensioners, I would like to encourage your Ministry to place a priority on the proclamation of section 39.1 of the Pension Benefits Act (PBA). This provision of the PBA would allow RRIF-like payments from a pension plan. OMERS has an additional voluntary contribution (AVC) option and currently AVC funds must be withdrawn or transferred out of OMERS once the member turns 71.

OMERS pensioners have faith in OMERS and recognize that, over the medium and long-term, the returns from OMERS' diversified investments have substantially exceeded the returns typical of mutual funds and of most RRSPs and RRIFs. Acting on encouragement from members, including our organization, in 2011 OMERS began to offer an AVC option to members. The objective of the AVC option is to offer OMERS members an opportunity to invest their additional savings in the OMERS Fund in order to earn the OMERS rate of return and to enhance retirement savings.

It is incongruous that OMERS cannot similarly offer an AVC payout option to those who wish or need to draw retirement income. . A RRIF-like option would provide greater flexibility to OMERS members who

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participate in the AVC option by giving them an OMERS decumulation alternative.

MROO hosts about 1200 of our members at meetings around the province every spring. Similarly OMERS holds information sessions for retirees around the province. I can tell you honestly that OMERS pensioners ask this question as frequently as any other: "can I keep my savings in an AVC account with OMERS when I have to withdraw it from an RRSP?" (i.e. age 71).

OMERS pensioners can see no reason why they shouldn't be able to do so. OMERS is willing to do so. When we hold our membership meetings this spring, we would like to be able to report to our members that you, Minister, have made it possible for OMERS to do so.

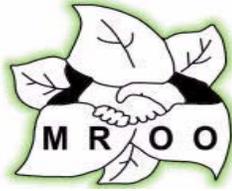
May we respectfully request that you put the necessary regulation in place in the very near future.

Sincerely,

William Harford, President
Municipal Retirees Organization Ontario

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Our Purpose

The Municipal Retirees Organization Ontario (MROO) was created as a not-for-profit corporation in 1977. All recipients of an OMERS pension are eligible to join. MROO has 15,000 members, all across Ontario. We are an independent, non-partisan organization formed to voice the interests of all OMERS retirees to OMERS and to governments at all levels, to represent our membership in legislative matters, and to provide such other services as will improve the lot of our members.

Our Membership

Our members include retirees from union, non-union, and management backgrounds in municipalities, police forces, fire departments, libraries, hydro commissions, school boards, health units, and other employers in the OMERS pension plan. Our Board consists of nine directors, one from each of nine zones across the province. Our past and present Boards have contained a retired chief building official, municipal budget chief, school board superintendent of business, administrative assistant, nurse, hydro commission comptroller, police superintendent, police chief, city treasurer, and municipal engineer, among others.

MROO is the largest OMERS retiree organization, and the only one with membership open to retirees from all walks of local government life.

Our Programs and Priorities

In addition, we have for 27 years sponsored health, dental, life, home and auto insurance plans designed by and for OMERS retirees. We offer scholarships to members' grandchildren as they enter second year of university or community college. We communicate regularly to all our members via printed newsletters three times yearly, and welcome over 1200 members to annual meetings in each zone.

MROO has a credible record of responsible advocacy and service to our members, and has direct communication with 15,000 pensioners across Ontario.

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