

## **SUMMARIZED PENSION PROPOSALS**

1. Increase in participant contribution rates, asking that the employee contribution rate be increased to reflect the benefit they receive from higher levels of salary increases later in their careers.

In addition, the Ontario Government has been explicit in its expectations that before giving consideration to a solvency exemption for universities, participant contribution rates at Universities need to increase to be more in line with participant contribution rates in the broader public sector (in the 8% to 9% range).

2. Elimination of termination benefit of two time contributions with interest in respect of contributions made after June 30, 2009.

3. Change to the final average earnings period from 3 years 5 years to help mitigate the impact of the higher level of salary increases since the parity formula was introduced, on a go forward basis after June 30, 2009.

4. Change the way the Income Tax Act maximum pension is applied on early retirement. While maintaining the same benefit, altering the liability calculated to draw more from the SRA and less from the RPP would have the benefit of reducing the solvency deficit.

5. Agreement from TUFA to support the application of any of the pension funding relief provisions adopted by the Ontario Government.