

Q. *Does our management get to participate in the Plan?*

A. It is possible for your management to join, but they can only join after the bargaining unit has negotiated the Plan and only if each and every one of them agrees to join the Plan on becoming eligible. An Affiliation Agreement must be signed.

Q. *What happens if a Plan participant is on a leave of absence?*

A. It depends on the type of leave and the length of the leave.

If contributions are possible or required by law (Employment Standards or Workers' Compensation), members should make contributions which means the employer must also make its contributions.

If you are on an approved LOA, but still on the employer's payroll, there is no break in service. Also, if you are on recall under the collective agreement, there is no break in service for up to 24 months.

You can choose to make self-payments provided you

- (i) have hours worked in covered employment during the calendar year;
- (ii) make a written request; and
- (iii) make payments not to exceed the total employee contributions that would have been remitted, less those that were made for the year.

Q. *What happens if the employer fails to enroll a member on the first day she/he is eligible to join?*

A. The Local should find a method to ensure the employer enrolls members accurately. The member's pension wage depends on contributions to the Plan. We encourage the member to make up missed contributions. The Local should file a grievance requiring the employer make its required contributions plus interest, as stipulated in the plan text, for failing to enroll properly. Every delinquent remittance must be grieved.

Q. *Can I change my beneficiary?*

A. Yes. Simply notify the Fund office by completing a beneficiary designation form, which is available from the Fund office. It is very important to name a beneficiary so that the Plan knows where to send benefits if you should die.

The law requires that you name your spouse as beneficiary. Your pension is a family asset – in fact, most often the largest family asset.

If you want to name someone other than your spouse, your spouse must agree. He or she must agree in writing by signing a waiver form which means s/he is agreeing to give up her/his rights to any Plan benefits. The waiver form is available from the Fund office.

Q. *What happens to my pension on marriage breakdown?*

A. Your pension is a family asset. It must be considered along with all other assets on marriage breakdown. Be sure your separation and divorce documents consider your pension.

Q. *What happens if I terminate employment before retiring?*

A. If you are not vested (less than 2 years of Plan membership outside of Quebec), you get your contributions plus interest (as prescribed by law).

If you are vested, you have to choose one of the following:

- (i) Leave your pension and collect it on reaching retirement;
- (ii) Move your pension to the new employer if the new employer will take it. Remember, if the new employer participates in the MSPP, you simply continue as if nothing has happened.
- (iii) Move the value of your pension to a locked-in registered retirement vehicle at a financial institution of your choice.

Q. *Does the pension plan affect my Q/CPP or OAS?*

A. No. You will receive your Q/CPP and OAS. Remember, you must apply for both of these benefits. Q/CPP is available, if you are retired, as early as age 60. OAS is payable at age 65.

Entitlement that you may have for the Guaranteed Income Supplement (GIS), which is welfare for the elderly, will be reduced by payments from the MSPP.

Q. *Why is the MSPP a good Pension Plan?*

A. Because it's a defined benefit (DB) type of plan. DB plans are the type of plan that CUPE, and the whole labour movement, promote as the best method for providing adequate wages for members on retirement.

DB plans are a collective approach to pension wages. Individual members are not required to be hotshot stockbrokers/money managers. When there is extra money in the fund, all Plan members benefit. Improvements made to the DB plan apply to all of the plan members.

DB means that the pension wages are defined – they can be calculated. You know what your retirement wage will be. Together, the plan members make gains, not on a one-off basis like money purchase schemes.

Q. *How will the money be invested?*

A. The Board of Trustees hire professional money managers to invest the Fund. All of the money is held in Trust for the Plan members and is used to finance the pension wages owed to members and to pay the operating expenses for running the Plan and Fund. There will never be a contribution holiday.

Q. *Can we be certain the new Plan will survive?*

A. The Plan is expected to operate indefinitely. It is modelled on the Nursing Homes and Related Industries Pension Plan (NHRIPP). The NHRIPP began in 1989 and as of December 31, 2000 has assets in excess of \$280 million; there are 232 participating employers and more than 16,000 active plan participants. It, too, is jointly trusteesd by CUPE and SEIU. In fact, the MSPP is “piggybacking” on the NHRIPP to keep start-up costs low.

If, for some unlikely reason, the MSPP is terminated, your pension benefits are protected by the pension laws.

Q. *What happens when the Fund has a surplus?*

A. The Trustees will have to decide how to spend it. Because the unions (CUPE and SEIU) are responsible for the Plan and Fund, any surplus will go to making the Plan better for members. Because the Plan is new, it has a lot of places where it can be improved. The CUPE Trustees will consult with members to find out your preferences.

Q. *How do I know how much pension I have?*

A. Each year you will get an annual statement that shows contributions to the Fund – yours and the employers – your earned pension wage and personal information such as your named beneficiary, date of birth, etc.

You can call, write, or e-mail the Fund office at any time.

Q. *If I have an existing RRSP or money purchase plan in my collective agreement, what happens?*

A. You join the MSPP as if you never had a previous retirement scheme. You are entitled to the past service benefits and the current and future benefits.

It might be possible for a transfer of assets and obligations from your previous plan to the MSPP. If not, your existing RRSP will continue as a personal savings plan. Your money purchase pension will likely be wound up. You will be able to move your assets to a locked-in retirement vehicle.

Q. *How do I contact my Trustee and/or the Fund office?*

A. The Fund office contact information is:

MSPP  
3650 Victoria Park Avenue  
Suite 301  
North York, Ontario M2H 3P7  
Tel.: 1-800-287-4816  
or (416) 493-2300  
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Your Trustees are:

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