



**MROO**  
*Municipal Retirees Organization Ontario*  
4094 Tomken Road, Mississauga, ON L4W 1J5

# MROO MEMBERS REPORTER

## November 2013

Protecting the pensions and enhancing the quality of life for all OMERS pensioners.

### PRESIDENT'S MESSAGE

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#### Are there Lessons for Municipal Pensioners in Ontario?

**NO.**

#### The Wheels fall off in Motor City

We all saw the big news in July... The City of Detroit, the once mighty Motor City, filed for bankruptcy.

Its population had shrunk over a 50-year period from 1.8 million down to 700,000. Factories had closed. Entire neighbourhoods were boarded up and houses unsellable. Cutbacks had decreased the average police call response time to an hour. The City had borrowed billions - issuing huge bonds even within the past few years - that it couldn't repay. It is on the hook for huge future pension payments to its retirees and active employees. Already 10 years ago, pensions and retiree health benefits represented a \$7 BILLION unfunded liability. Even the often-champion Detroit Red Wings are aging.

The City applied to Court for protection from its creditors, asking for the Court to mediate a settlement with them for something far less than the City owes. Not surprisingly, the City also sought to have its mammoth pension deficit dismissed.

Retirees challenged the right of the City to escape its future obligations to its pension plan members. The Court agreed - subject to further challenge - that the City's pension obligations could not be included in the bankruptcy proceedings. (See the article later in this newsletter). The question remains where the City can possibly find the money to pay those pensions for the next 50 years?

#### The Pension Plan vultures circle

What a golden opportunity for all the usual suspects to trot out their tired attacks on OMERS, on Defined-Benefit pensions in Ontario, on public employees. Too good to miss.

We must learn from Detroit, they say; we had better dissolve OMERS and eliminate Defined-Benefit pensions before it's too late.

Here's the problem: the facts don't support them.

#### Ontario's cities are regulated

You and I know that municipal finance in Ontario is nothing at all like Detroit.

- It's highly unlikely that such a bankruptcy would occur in Canada's municipal sector. As Warren Lovely, a CIBC World Markets economist, pointed out

#### IF YOU MOVE...

**Reminder:** If you move, please let us know your new address (and where you are moving from). Just leave a message at 1-800-595-4497 or [mroo@istar.ca](mailto:mroo@istar.ca).

#### Remember:

Telling OMERS is not the same as telling MROO. OMERS can't give us your personal information.

**MROO**

Keeping you informed for a lifetime

in an article published in Economic Insights (August 7, 2013), the municipal sector in Canada is governed differently than U.S. municipalities, with more government oversight, strong credit ratings and conservative fiscal and debt management.

- A municipality in Ontario cannot borrow to pay for its routine operations. It must achieve a balanced budget every year. It can only borrow for capital expenditures like pipes and roads and buildings
- A municipality can only borrow to the point where its annual payments of principal and interest are less than 25% of its own tax revenues. If it wants to borrow more than that, it needs Provincial Government approval. How likely is that? Not likely.
- Provincial officials monitor the financial health of all Ontario municipalities annually. Every municipality submits an annual financial report that accounts publicly for the amortization of its infrastructure and other unfunded liabilities.
- If a municipality really gets itself into trouble, the Provincial government takes over the municipality's financial management. In recent times this has occurred in a few small northern municipalities but it happened to some larger southern municipalities during the Great Depression.
- Credit rating agencies stay on top of municipalities' ability to honour their debts. Over the past 10 years, Detroit's average credit rating dropped from A to C. Meanwhile, NO Canadian city is less than A, and the large majority are AA and AAA.

### **OMERS is a pool**

Unlike Detroit, which ran its own pension plan and rang up its own huge pension liabilities, OMERS is a pool of almost 1000 local government employers. Add the fact that OMERS is a 50/50 employer/employee plan; so, over 260,000 active employees and 120,000 pensioners are also part of the pool.

Unlike Detroit, no OMERS employer alone faces a pension obligation. If any Ontario municipality fell upon hard times, the Plan would continue and pensions would continue to be paid. Paying its pensioners does not fall just on any single city; it is an obligation shared by 1000 other local governments and their employees. In fact, OMERS was created in 1962 for the very pur-

pose of sharing liability and providing pension stability.

### **OMERS is heavily regulated**

Compared to its projected long-term (50 or 60 years) obligations to pay pensions, at the end of 2012 OMERS had long-term projected assets of about \$9.9 billion less than it should have. Its assets needed to be about 14% higher compared to its obligations. Not good but not insurmountable, considering this is for **Ontario's whole local government pension system!** Furthermore, OMERS has a plan in place to balance its long-term projections of assets and obligations within 10 years. Compare that with Detroit where the actuarial deficit is enormous and where decades of elected officials and managers turned a disastrous blind eye to the problem.

Why are we so lucky? For at least two reasons, in addition to the pooling mentioned earlier.

1. Provincial law requires every pension plan, including OMERS, at least every three years (more often if there is a serious problem) to submit a professional actuary's long-term projections of the pension plan's assets and liabilities. (Note that OMERS has both highly-qualified internal actuaries as well as external actuaries, to make sure its projections have the highest level of credibility). If there is a long-term projected actuarial deficit, the Provincial regulator says to the pension plan: "Okay buddy, that won't do. What's your plan to fix it?" Detroit went decades without a credible plan to meet its obligations to municipal employees; OMERS fortunately cannot.
2. OMERS is run independently of any individual city, company, union or association. The OMERS Administration Corporation Board oversees investments, pays pensions, and prepares actuarial projections on behalf of plan members and employers. Period. They are not beholden to anyone else or for anything else. Incidentally, as retirees, we can be proud of our dedicated retiree rep on the OMERS Administration Corporation Board, Richard Faber. The OMERS Sponsors Corporation Board makes the tough decisions about contribution rates and pension benefits, with no other obligation than the health of the Plan. They make sure that, unlike Detroit, the pensions

## PRESIDENT'S MESSAGE, CON'T

promised will be pensions paid. As retirees, we are fortunate to be represented on that Board by the dedication and common sense of Paul Bailey.

### The answer is NO

Bottom line? Do we have anything much to learn from the bankruptcy of Detroit? The answer is NO.

When you hear or read those critics that cite Detroit as an excuse to gut our pension plan and put all government employees at the mercy of mutual funds, think to yourself:

- Don't they know about the financial scrutiny that Ontario cities operate under?
- Don't they know that OMERS is light-years away from Detroit's single-city "company-sponsored" pension plan?
- Don't they know that OMERS' actuarial deficit is completely manageable compared to that facing Detroit's pensioners, and that OMERS is on track with its plan to fix it (**as the law in Ontario requires**)?
- What are their motives in trying to convince the public in Sudbury or Waterloo or St. Catharines or

Kingston that another Detroit fiasco is looming around the corner for Ontario cities?

I don't want to sound ridiculously rosy. We all know that OMERS faces challenges...only about two active employees for every pensioner, we oldsters living longer than ever, volatile stock markets and low bond interest, increasing international competition for good income-producing infrastructure investments, etc.

My point is that OMERS will deal with it; it has to. So, are we going to "have a Detroit" in Ontario? The answer is NO.

William Harford, President

### FOR YOUR INFORMATION

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## IRISH GHOST STORY

John Bradford, a Dublin University student, was on the side of a lonely road hitchhiking on a very dark night and in the midst of a big storm.

No cars went by. The storm was so strong he could hardly see a few feet ahead of him.

Suddenly, a car came slowly towards him and stopped.

Desperate for shelter, John lept impulsively into the car and closed the door.... only to realize there was nobody behind the wheel and the engine wasn't on. The car started moving slowly. Looking at the road ahead, he saw a curve approaching. He started to pray, begging for his life.

Then just before the car hit the curve, a hand appeared out of nowhere through the window, and turned the wheel. John watched with terror as the hand came through the window, but never touched or harmed him.

Shortly thereafter, John saw the lights of a pub appear down the road. So, gathering strength, he jumped out of the car and ran for it. Drenched, breathless and petrified, he rushed inside and started blurting out the story of the horrible experience he had just had.

A silence enveloped the pub when everybody realized he was crying... and he wasn't drunk.

Suddenly, the door opened, and two other people walked in from the dark and stormy night. They, like John, were also soaked and out of breath. Seeing John Bradford sobbing at the bar, one said to the other.....

"Look Paddy....there's that idiot that got in the car while we were pushing it!"

## TROUBLE IN MOTOR CITY - THE STATUS OF PENSIONS

With the City of Detroit struggling to provide basic services to its shrinking population, its state-appointed emergency manager submitted a restructuring plan to holders of some \$US18.5 billion in IOU's. "Financial mismanagement, a shrinking population, a dwindling tax base and other factors over the past 45 years have brought Detroit to the brink of financial and operational ruin," said Kevyn Orr, the bankruptcy expert appointed by Michigan's governor to straighten out the city's troubled finances.

The city imposed a moratorium on some debt payments in order to preserve the cash needed for essential services. It said it will work with its creditors to restructure its debts in order to "return Detroit to a sustainable

financial foundation and to permit much-needed reinvestment in the city". Under the proposal, **unsecured creditors, including pension plans for city retirees**, could end up with a fraction of what they are owed.

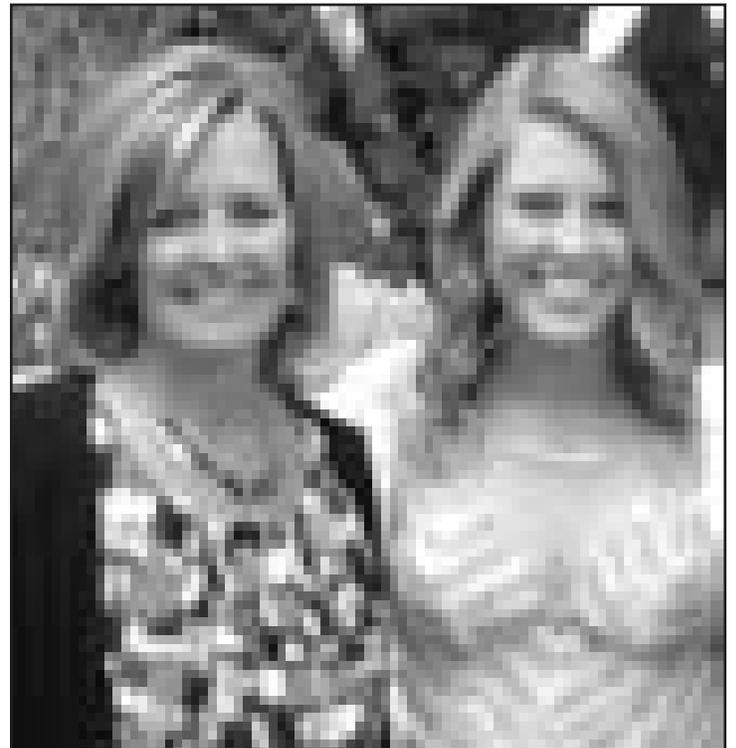
Kevyn Orr has made it clear that **reductions in pensions and health-care benefits for city retirees are a necessary part of any long-term solution for Detroit**. The city currently spends 40 percent of its revenue on so-called legacy costs, **mostly retiree benefits**. Orr plans to pursue "significant" cuts to the pensions of the city's 21,000 retirees. Those affected would include police, firefighters, social workers, 911 operators, librarians, utilities, Court workers, inspectors, etc.

As recently confirmed in Court, the Michigan Constitution protects public pensions. However, Orr believes U.S. bankruptcy law, which allows contracts to be slashed, will take precedence. Bankruptcy experts say retiree pensions probably won't be completely wiped out, but monthly payments could be reduced.

Unless the Michigan's public-sector unions agree to a "haircut" for retirees (stop laughing) the pension mess probably is headed for the US Supreme Court.



*2013 MROO scholarship recipient Gillian Currie with grandmother Donna Currie and a picture of her late grandfather Ray Currie of the Guelph Fire Service*



*2013 MROO scholarship recipient Stacie Core with her mother Terrie Core of Forest*

## RETIREMENT AMONG OMERS PLAN MEMBERS IT'S PICKING UP STEAM

Despite a trend to retirements at a somewhat older age, the pace of retirements in the OMERS Plan is rapidly picking up steam. The number of OMERS pensioners increased less than 3% between 2007 and 2008, but

almost 5% between 2011 and 2012.

And there are more to come. About 40% of OMERS active members are 50 years old or more.

31-Dec	OMERS Pensioner Headcount (rounded)	Headcount Increase	Percentage Increase
2007	103,400		
2008	106,400	3,000	2.9%
2009	109,500	3,100	2.9%
2010	113,600	4,100	3.7%
2011	118,300	4,700	4.1%
2012	124,000	5,700	4.8%

The average pension being paid (bridge + lifetime) to a new OMERS pensioner has been increasing, but slowly since 2009. The average OMERS retiree is not rich but - with a stable indexed pension plan - very fortunate.

Average annual OMERS pension to those who became an OMERS pensioner in 2008 =	\$ 24,700
Average annual OMERS pension to those who became an OMERS pensioner in 2009 =	\$ 26,900
Average annual OMERS pension to those who became an OMERS pensioner in 2012 =	\$ 27,600

Source: OMERS 2012 Annual Report

### The Hills are Alive

Mr Bob Hill and his wife Betty were vacationing in Europe, near Transylvania. As they drove their rental car along a deserted highway, the rain pelted down and Bob could barely see the road. Suddenly, the car skids out of control and smashes into a tree.

Moments later, Bob shakes his head to clear the fog. His wife lies unconscious beside him, her head bleeding! Despite the rain and unfamiliar countryside, Bob picks his wife up and trudges down the road, looking for medical assistance. Shortly he sees a light coming from a large, old house. Exhausted, he approaches the door and knocks.

A small, hunch-backed man opens the door. Bob croaks out, "Hello, my name is Bob Hill, and this is my wife Betty. We've been in a terrible accident, and my wife has been seriously hurt. Can I please use your phone?"

"I'm sorry," replied the servant, "but we don't have a phone. My master is a doctor; come in, and I will get him!"

An older man comes down the stairs. "In fact, I am not a medical doctor; I am a scientist. However, it is many miles to the nearest clinic, and I have had a basic medical training. Igor, bring them down to the laboratory."

Igor carries Betty downstairs and places her on a table in the lab. Then, Bob collapses from exhaustion and his own injuries, so Igor places Bob on an adjoining table.

After a brief examination, Igor's master looks worried. "Things are serious, Igor. Prepare a transfusion." Igor and his master work feverishly, but to no avail. Bob and Betty Hill pass away.

Wearily and upset by the deaths of his sudden guests, Igor's master climbs the steps to his conservatory and his grand piano. For it is here that he has always found solace. As he plays, a stirring almost haunting melody fills the house.

Igor is still in the lab. His eyes catch movement. Betty's hand twitches, keeping time to the haunting piano music. Bob's arm rises, marking the beat! Igor is amazed as Betty and Bob both sit up straight!

Dashing upstairs to the conservatory, he shouts to his master:

"Master, Master! . . . The Hills are alive with the sound of music!"

## WOOD-BURNING FIREPLACE AND WOOD STOVE SAFETY

During the Winter months, nothing beats the weather like a warm and cozy fire. With a few simple precautions, you can reduce the risk of a fire in your home.

- All combustibles should be at least 4ft. away from the unit (furniture, newspapers, clothing, etc.)
- Before starting a fire, make sure the damper is fully opened
- For wood-burning stoves, follow all operating, maintenance, and recommendations provided by the manufacturer.
- Make sure your wood is seasoned and not wet. Dryness is more important than hard wood versus soft wood.
- Do not burn wrapping paper, painted wood, cardboard or any kind of trash. They could cause a chimney fire.
- Never leave your fire unattended.
- Dispose of ashes in an approved ULC-listed metal container.
- A WETT-certified inspector should clean and inspect your chimney annually. If recommendations are made, get them done.
- In between the annual inspection you should be on the lookout for:
  - Cracks in the exterior masonry or in the firebox itself.

- Worn or damaged cords on wood stove doors.
- Missing Flue caps.
- Discoloured or distorted rain cap.
- Cracked, broken or missing Flue tiles.
- If you notice any of these problems, discontinue use and have the unit inspected by a W.E.T.T.-certified professional

By being prudent in the maintenance and up keep of your wood-burning device, you can enjoy many years of safe warm comfort!!

Submitted by Tom Graves, C.I.P., C.C.I.B., Vice-President, MitchellAbbott Group



*MROO Zone 2 Alternate Director Lou Rivard explains MROO at OMERS' Retiree Information Session in Stratford*

### Roasted Squash Salad

#### Ingredients

- 3/4 cup apple juice
- 2 tbsp cider vinegar
- 2 garlic cloves, minced
- 5 tbsp extra-virgin olive oil
- 2 tsp Dijon mustard
- 1 butternut squash, about 1.4 kg, washed well
- 1 tbsp honey
- 4 cups baby arugula
- 1 cup crumbled feta
- 2 tbsp dried cranberries

#### Instructions

- Position racks in upper and lower thirds of oven. Preheat to 400F. Line 2 large baking sheets with foil.
- Boil apple juice with vinegar and garlic in a small saucepan. Boil until reduced to 1/4 cup, about 10 min. Remove from heat and whisk in 3 tbsp oil and Dijon.
- Cut a large, shallow slit through the skin of squash. Microwave on high to make it easier to cut, 3 to 5 min. Slice unpeeled squash in half and discard seeds. Cut into 1/3-in.-thick slices. Toss with remaining oil and honey until coated. Spread out on prepared baking sheets. Roast until just tender and edges are starting to brown, about 15 min.
- Divide arugula among plates. Top with warm squash. Drizzle with dressing. Top with feta and cranberries.

## ONTARIO ELECTION

### A SPECIAL MESSAGE FROM MROO PRESIDENT BILL HARFORD

**All indications are that Ontarians should expect a general election in the Province of Ontario in the Spring of 2014.**

Municipal Retirees Organization Ontario is a non-partisan organization. We will not take a stand for or against any party or candidate.

However, our highest public policy priorities - OMERS, retirement income generally, and helping seniors to stay in their own homes as long as possible with decency and dignity - rely largely on the Ontario Legislature.

So, while we won't support any party or candidate, that doesn't mean everything every party or candidate says about these issues is correct or justified. We will let them know where we stand on these issues. We will also provide you, our 16,000 members, with information about where we stand, so that you can compare with what you hear from party leaders and candidates.



*Katelyn Marshall of Lively (City of Greater Sudbury) with her grandfather John Hoey of Port Perry. Katelyn received the 2013 \$5000 Don MacLeod Leadership Award, in honour of MROO's Past-President*

With luck, your March 2014 MROO newsletter will focus on the Provincial election. If the election is called earlier, we will send out a special newsletter.

**But will that be too late? Here is what you need to do right now:**

- Don't take good pensions for granted. For the past three years, a steady creeping campaign has been attacking OMERS and other public sector pensions, chanting for defined benefit pension plans (that's our kind, where we know what we will have to live on when we retire) to be disbanded, alleging that our pensions are gold-plated and unsustainable, demanding that all public employees be thrown to the uncertain "mercies" of mutual funds
- Why? Private sector employers have largely abandoned good pensions for their employees and others have woefully underfunded their company pension plans. By contrast, well-administered non-profit defined-benefit pension plans like OMERS (and the CPP) simply remind the public that better is possible
- The tactics of their attack? Feed the fires of envy. Convince the public that if they don't have a reliable livable pension, no-one should. Tear down rather than build up.
- These prescriptions may be good for big banks and mutual fund sales, but they threaten a decent income for pensioners and will weaken the economy. But negative sells!
- What you should fear: by the time the election comes, your friends and neighbours will already believe the falsehoods and back the tear-down of decent pensions.
- What you should do: Let your friends and neighbours know when they are not hearing the truth. Remind them that better is possible. Talk about expanding the Canada Pension Plan and preserving defined-benefit pensions, not throwing more of our savings at banks with high fees and billion dollar profits. An unreliable and inadequate retirement income for millions of future seniors is not the answer to anything - certainly not good for Canada's economy.

## MROO RETIREMENT PLANING SEMINARS FOR SOON-TO-RETIRE EMPLOYEES

Since 2009, MROO has been offering day-long retirement planning seminars to soon-to- retire employees (at least 50 years old) of employers in the OMERS pension plan. Phil Hollins - a MROO member, pension consultant, and retired OMERS employee - is the seminar MC and primary speaker. In addition, OMERS staff have very kindly participated, making sure that employees "of a certain age" fully understand their pension benefits. Spouses are strongly invited to attend; retirement is a family affair!

In addition to OMERS benefits, the seminars deal with CPP, OAS, other retirement income, and household budgeting. Just as important, Phil gets participants discussing the social and emotional aspects of retirement...

- What are you going to do with all that free time?
- What will your spouse think about you hanging around the house 24/7?
- How will you avoid isolation when you don't see your workmates every day?

- What are you looking forward to that will get you out of bed every morning?
- How will you know when you are ready to retire?

Each seminar also includes a panel of retirees talking informally about how they decided to retire and how their retirement has turned out.

In the past year, the following have hosted a MROO retirement planning seminar

- County of Lambton
- Regional Municipality of York
- CUPE local 966
- Ontario Municipal Administrators Association
- Town of Parry Sound
- Town of Newmarket
- City of St Thomas
- Town of Richmond Hill
- United Counties of Stormont Dundas and Glengarry
- District Municipality of Muskoka

These seminars always get rave reviews from participants; several municipalities have hosted more than one seminar, and in many cases they have included employees from several small employers. Perhaps your former employer should host one?



*MROO retirement planning seminar hosted by the Town of Richmond Hill*



*laughs amid the serious talk about getting ready for retirement in Richmond Hill*

**2013 MROO SCHOLARSHIP RECIPIENTS**



*2013 MROO scholarship recipient Amelia Powell of Napanee with grandmother Bonnie Powell of Niagara Falls*



*2013 MROO scholarship recipient Caelin Nisbet of Lindsay with grandmother Colleen Ward*



*2013 MROO scholarship recipient Danielle Deschenes of Bright's Grove with grandfather William Dalton*

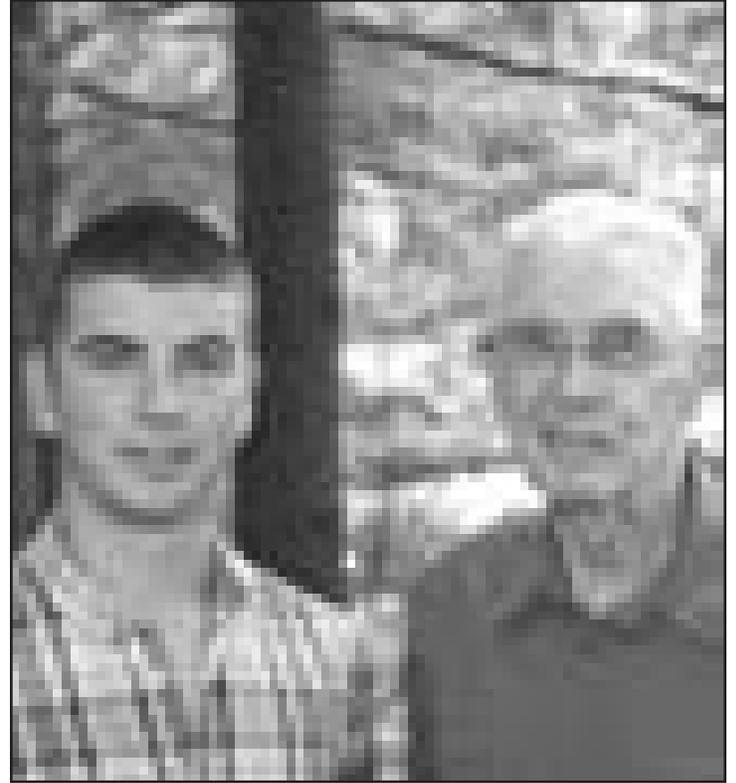


*2013 MROO scholarship recipient Dylan Cordeiro with great-grandfather Ken Needham of Oakville*

**2013 MROO SCHOLARSHIP RECIPIENTS**



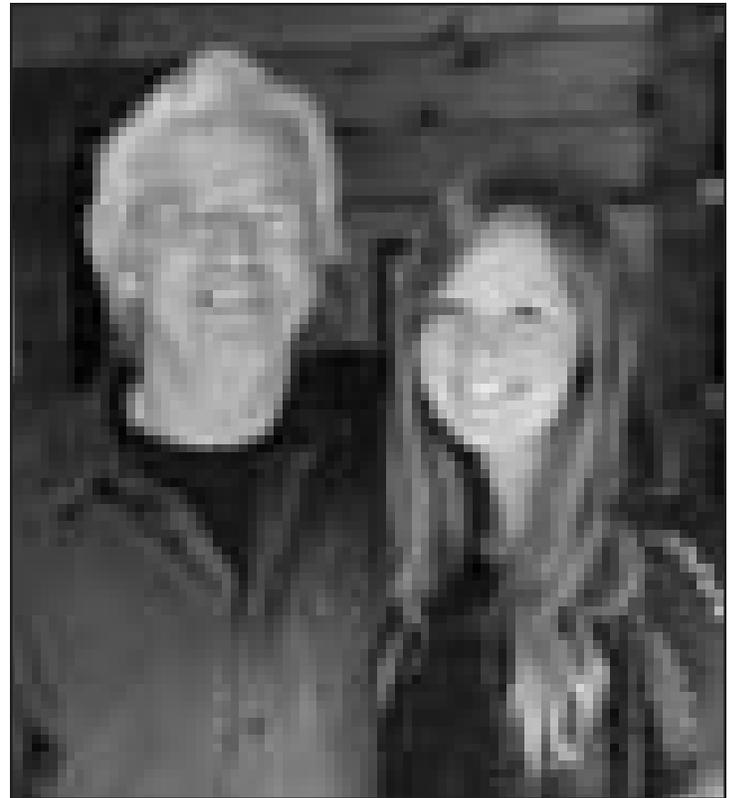
*2013 MROO scholarship recipient Kyle Cormier of Keswick with grandfather Harold Carmichael*



*2013 MROO scholarship recipient Lucas Parsons of Warsaw with grandfather Donald Thornton of Lakefield*



*2013 MROO scholarship recipient Marshall MacPherson of Alexandria with grandmother Shirley McFadden*



*2013 MROO scholarship recipient Michelle Slomka of Wasaga Beach with grandfather Larry Slomka*

**2013 MROO SCHOLARSHIP RECIPIENTS**



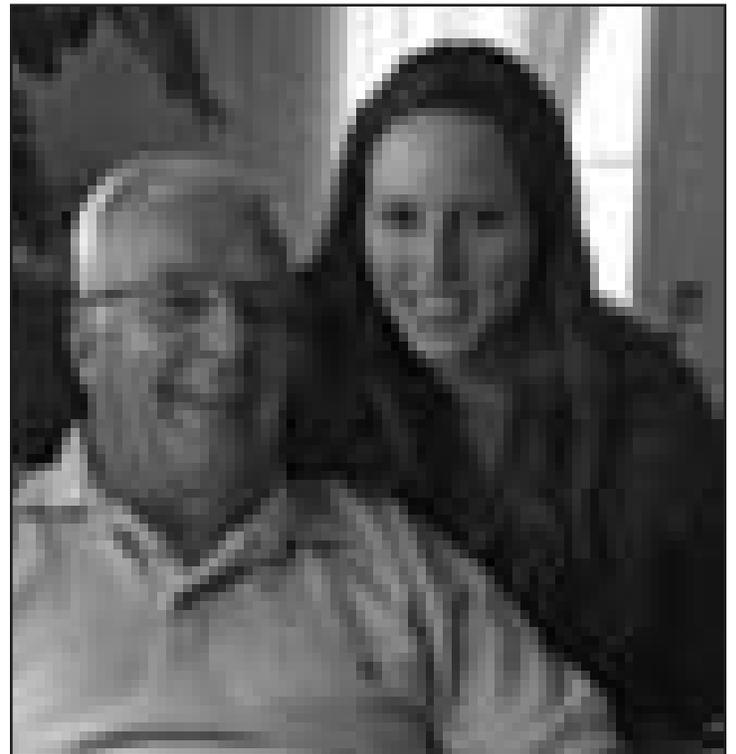
*2013 MROO scholarship recipient Gayle Buzzi of Kakabeka Falls with grandmother Carmen Buzzi of Thunder Bay*



*2013 MROO scholarship recipient Katarina Michelini of Woodbridge with grandmother Ermellina Michelini*



*2013 MROO scholarship recipient Reba Harrison of Newtonville with grandfather John Harrison of Churchill*



*2013 MROO scholarship recipient Samantha Roberts of Thornton with grandfather Dave Roberts of Coldwater*



*Francine Delcourt and Lou Rivard represent MROO at an OMERS Retiree Information session in August*

## Easy Work

An elderly gentleman lived alone in Chatham-Kent . He wanted to plant his annual tomato garden, but the ground was very hard. His only son, Vincent, who used to help him, was in prison.

Dear Vincent (wrote the elderly dad)

It looks like I won't be able to plant my tomato garden this year. I'm just getting too old for all that digging. If you were here, I know you would be happy to dig it for me, like in the old days. Love, Papa

Dear Dad (wrote the son from prison)

Don't dig up that garden. That's where the bodies are buried . Love, Vinnie

Early the next morning, the police arrived and excavated the entire back yard without finding any bodies. They apologized to the old man and left. The next day the old man received another letter from his son.

Dear Dad,

Go ahead and plant the tomatoes now. That's the best I could do under the circumstances. Much love, Vinnie



*The Retiree Panel at a MROO retirement planning seminar reflects on their decisions to retire, what they do in retirement, what they know now that they wish they had known then*

## MROO TRAVEL INSURANCE PLANS TO SEE ENHANCEMENTS THIS OCTOBER!

Over the past decade, the growth in domestic and international travel by seniors has outpaced most other age groups. Many seniors, once retired, take advantage of their newfound freedom and travel the world, some for the first time in their lives.

It is quite common nowadays to obtain travel insurance before going on a trip. However, the standard travel insurance package may not always meet your needs in terms of benefits and trip duration. **The MROO Travel Insurance Program, provided through Royal Sun Alliance (RSA), offers a wide range of travel insurance options at reasonable rates** for you and your spouse, regardless of age.

If you want to top up your MROO 30 Day Annual Travel Plan or wish to purchase travel insurance on a per-trip basis, RSA Travel Insurance has a plan for you.

### Flexible Travel Plans:

- No age limit
- Multi-Trip Annual Plans
- Single Trip Daily Plans - up to 212 days
- Canada Plan - excellent rates with no medical questions
- Medical Underwriting Plan - if eligible for the Standard Plan
- Top Ups and extensions available
- Deductible options

**This October, the MROO individual travel insurance plan will include several exciting enhancements.** RSA Travel Insurance has developed several new features to reflect the latest market trends and offer an insurance solution that can meet the evolving needs of today's retirees.

### New features include:

- The introduction of a four-day annual plan for individuals of all ages
- Less restrictive pre-existing medical condition exclusion for individuals ages 54 and under, improving from the current 180-day stability period to a shorter 90-day stability period
- Longer trip duration and wider age eligibility for the Vacation Plan, allowing individuals ages 55 to 79 to travel worldwide up to 21 consecutive days without having to complete a medical questionnaire. (Cannot be used to top up Annual Travel Plans.)

- Less restrictive timeframe around medical check-ups for individuals completing a medical questionnaire; improving from the current 18-month check-up period to a longer 24-month check-up period

If you are planning to travel in retirement, remember that planning is key. It shouldn't matter if you are leaving for a month or a few days, ensuring that you are well prepared for any unexpected emergencies can give you a greater piece of mind and lead to a worry-free vacation.

**To get a quote today, call RSA directly using MROO's toll free number: 1-877-762-9207.**

**When you enroll in MROO's Hospital, Health or Dental Plan (Plans II or III), you also have the option of adding the MROO 30 Day Annual Travel Insurance Plan - a cost-effective solution for retirees who travel frequently.** The MROO Annual Travel Insurance Plan offers comprehensive emergency medical coverage, including unlimited trips of up to 30 days each. Top up coverage for trips over 30 days can be purchased directly from RSA Travel Insurance. Once enrolled in MROO's Annual Travel Plan you can keep your coverage for life. For more information, visit [www.encon.ca/mroo](http://www.encon.ca/mroo), call ENCON Group Inc., MROO's insurance program manager, at 1-800-363-7861 or email us at [mroo@encon.ca](mailto:mroo@encon.ca).



*2013 MROO scholarship recipient Olivia Sullivan of Timmins with her grandmother Kathleen Sullivan*

## Potential New MROO Products and Services

At the MROO Spring zone meetings, and on-line, our members were asked to help us identify potential new products and services that MROO should consider offering to benefit of our members and to help us attract more members. Here are the key things you told us.

1. You had compliments for our zone meetings, this newsletter, the information on our website, and our scholarship program, as well as our health, dental and travel insurance
2. You are interested in potential discounts to MROO members on a variety of items, including health/pharmaceutical-related, tour/travel-related, and entertainment related items.
3. You are encouraging about more MROO educational activities, particularly at the local level
4. You want access to information about local home care and reliable home maintenance services

THANK YOU FOR YOUR FEEDBACK!

So, the Board is investigating the following areas of potential:

1. Developing an inventory of all the discounts now available to seniors in fields such as hotels, restaurants, entertainment, travel, health and paramedical services, pharmaceuticals, and more.
2. Organizing or sponsoring more activities and educational events at the local level
3. Arrangements with tour organizers or brokers to arrange tours for MROO members and/or offer discounts on pre-established tours
4. A service of some sort that would link MROO members - or their parents - to home care, personal support and home maintenance services in as many local communities as possible.

Naturally, as we investigate, we have to cover all the usual bases - cost, feasibility, legal responsibilities, cross-province coverage, etc. We will keep you posted.



*2013 MROO scholarship recipient Lacey Wolters of Essex with grandmother Mary Johnston*



*2013 MROO scholarship recipient Thomas McNeil of London with grandmother Rita Trainor*

## MROO 2013 SCHOLARSHIP PROGRAM

The 2013 MROO Scholarship program offered \$2000 scholarships for students entering their second year at a Canadian university or community college. Applicants must be the son, daughter, grandson, granddaughter, niece, nephew, grand-niece, or grand-nephew of a MROO member. Two scholarships were awarded per zone (one additional scholarship in any zone from which more than eight applications were received). In 2013, a total of 82 applications were received. Based on applicants' resumes and essays, the applications were reviewed for

- volunteerism: their demonstrated commitment to helping others
- leadership: their demonstrated experience in leadership positions
- plans for the future: how they plan to "make a difference" and how their studies relate to their plans

As has been the case since the beginning of the MROO scholarship program in 2006, all applicants were outstanding and the selection committee struggled to select only 21 recipients. MROO sincerely thanks all applicants. Canada's future is in good hands.

### MROO 2013 SCHOLARSHIP RECIPIENTS

Name of Student	Permanent Residence	University or College	MROO Member	Relationship to student	Location
<b>WOLTERS</b> Lacey	Essex	Mohawk	Mary Johnston	Grandmother	Leamington
<b>DESCHENES</b> Danielle	Bright's Grove	McMaster	William Dalton	Grandfather	Sarnia
<b>McNEIL</b> Thomas	London	McGill	Rita Trainor	Grandmother	London
<b>CORE</b> Stacie	Loindon	Western	Terrie Core	Mother	Forest
<b>CORDEIRO</b> Dylan	Milton	York	Ken Needham	Great-Grandfather	Oakville
<b>LAJOIE</b> Hilary	Burlington	Western	Barbara Thompson	Grandmother	Peterborough
<b>CURRIE</b> Gillian	Guelph	Guelph	Ray Currie	Grandfather	Guelph
<b>MICHELINI</b> Katarina	Woodbridge	Guelph	Ermellina Micheline	Grandmother	Toronto
<b>CORMIER</b> Kyle	Keswick	Laurentian	Harold Carmichael	Grandfather	Ajax
<b>HARRISON</b> Rececca	Newtonville	Trent	John Harrison	Grandfather	Churchill
<b>PARSONS</b> Lucas	Warsaw	Guelph	Donald Thornton	Grandfather	Lakefield
<b>POWELL</b> Amelia	Napanee	Laurentian	Bonnie Powell	Grandmother	Niagara Falls
<b>MACPHERSON</b> Marshall	Alexandria	Ottawa	Shirley McFadden	Grandmother	Alexandria
<b>KEYES</b> Martin	Ottawa	Queens	George Spencer	Grandfather	Brantford
<b>SULLIVAN</b> Olivia	Timmins	Northern	Kathleen Sullivan	Grandmother	Timmins
<b>BRAIDO</b> Maggie	Sault Ste Marie	Laurentian	Fred Konkin	Grandfather	SS Marie
<b>BUZZI</b> Gayle	Kakabeka Falls	Lakehead	Carmen Buzzi	Grandmother	Thunder Bay
<b>COULTER</b> Michaela	Thunder Bay	Lakehead	Arlene Wiseman	Grandmother	Thunder Bay
<b>ROBERTS</b> Samantha	Thornton	McMaster	Dave Roberts	Grandfather	Coldwater
<b>SLOMKA</b> Michelle	Wasaga Beach	Ottawa	Larry Slomka	Grandfather	Innisfil
<b>NISBET</b> Caelin	Lindsay	Nipissing	Colleen Ward	Grandmother	Tory Hill

### 2013 DON MACLEOD \$5000 LEADERSHIP AWARD

In addition, MROO awards a \$5000 Leadership Award to one student who has displayed a superlative record of leadership. This award honours Don MacLeod, MROO President from 1986 to 2011.

<b>MARSHALL</b> Katelyn	Lively	Laurentian	John Hoey	Grandfather	Port Perry
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## RETIREMENT AGE IN CANADA - HOW WAS IT AFFECTED BY THE FINANCIAL CRISIS OF 2008?

The media have widely reported that the 2008 financial crisis affected people's thoughts of retirement. Low returns on private investments, layoffs and threats of layoffs in the private sector, slowing wage growth, fear... the result: employees delaying their retirements.

The Table below shows a dramatic drop in the average age of retirement between 1978 and 1998, particularly in the public sector (retiring on average almost 6 years earlier than 1978, encouraged by widespread early retirement incentives) but also in the private sector.

But by 2007, the trend - particularly in the public sector - had already started to reverse. By 2012, the aver-

age age of retirement had increased even more significantly, in both public and private workplaces.

Undoubtedly financial fears were a big part of it. Other factors may also have played a part. The removal of early retirement incentives? Private company pension plans collapsing? Skills deficits in the workplace that encouraged skilled workers to stay on? Baby boomers feeling too good (or too important) to retire? OMERS stats are not readily available, but OMERS staff say they have seen a similar trend.

For self-employed Canadians, nothing much has changed in 35 years.

Date	Ave All Retirees	Ave Public Sec	Ave Private Sec	Ave Self Employed
1978	65.0	63.7	65.2	66.2
1988	63.3	61.4	63.7	65.9
1998	60.9	57.8	61.6	65.4
2007	61.6	59.3	62.0	66.1
2012	62.9	61.0	63.3	66.4

Ave All Retirees -> Average age of employees who retired in that year, all retirements

Ave Public Sec-> Average age of employees who retired in that year, public sector retirements

Ave Private Sec-> Average age of employees who retired in that year, private sector retirements

Ave Self Employed -> Average age of employees who retired in that year, self employed

Source: OMERS analysis of StatsCan Labour Force survey estimates:

( Raw data from Statistics Canada can be found at:

<http://www5.statcan.gc.ca/cansim/pick-choisir?lang=eng&p2=33&id=2820051>

Table 282-0051: Labour force survey estimates, retirement age)

## WE WILL REMEMBER THEM

The "Ode of Remembrance" is taken from Laurence Binyon's poem, "For the Fallen", which was first published in *The Times of London* in September 1914. On November 11, you will hear the best-known words of that poem. No longer do they honour just the dead of World War I. They carry the thought of every mother and father, brother and sister, comrade and friend about every soldier, civilian and child, ever killed in war.

*They shall grow not old, as we that are left grow old:  
Age shall not weary them, nor the years condemn.  
At the going down of the sun and in the morning,  
We will remember them.*

Amen