



January 5, 2016

The Honourable William Morneau  
Minister of Finance  
Department of Finance Canada  
90 Elgin St  
Ottawa ON K1A 0G5

Dear Minister:

Re: Canadians' Retirement Income Security

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On behalf of the 18,000 members of the Municipal Retirees Organization Ontario, I would like to congratulate you on your appointment as Minister of Finance. While yours will be a daunting task, we are encouraged by the directions which your party brings to government on matters related to retirement income.

Attached is a list of our hopes for change in several of these matters.

Please do not hesitate to contact us and to rely on us for support as you proceed in these directions.

Sincerely

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William Harford, President

Encs.

## MATTERS RELATED TO RETIREMENT INCOME

### 1. Old Age Security

We hope that the age of eligibility for Old Age Security will revert as soon as possible to age 65. The change to age 67 was not necessary, effective, or most importantly fair.

### 2. Canada Pension Plan

We hope that the Canada Pension Plan will be amended as soon as possible to increase the maximum pension to at least 40% of the YMPE, on a fully funded, phased in basis.

While we admire the fortitude of the Ontario Government in introducing the Ontario Registered Pension Plan, it is not the answer to the looming lack of retirement income for millions of Canadians who do not and will not have a workplace pension.

Alternative ways to increase the CPP have been suggested. Raising the YMPE is one. Another is exempting employees who still fortunately have a decent workplace pension, as is the proposed design of the ORPP. Either option, or the basic option of increasing the percentage of the YMPE would be a welcome improvement. We hope you will achieve success in your discussions with the provinces.

### 3. Age of Eligibility to Contribute RRSPs

We hope that you will raise the age to 75 whereby Canadians are permitted to contribute to RRSPs. Canadians are living longer and in many cases working longer and saving longer. This should be encouraged.

On the flip side, the age of mandatory RRIF withdrawal should be raised to 75.

### 4. Status of Pensions in the Event of Company Bankruptcy

Recent cases in Nortel, Indalex, and Stelco, among too many others, illustrate the shameful lack of protection which our current bankruptcy legislation affords to pensioners and earned pension credits. A pension promise made is a pension promise that must be kept.

We hope that you will take the advice of the Canadian Federation of Pensioners to usher in decent protection for pensions in cases of company bankruptcy or creditor protection.

## **ABOUT MROO**

### **Our Purpose**

The Municipal Retirees Organization of Ontario (MROO) was created as a not-for-profit corporation in 1977. All recipients of an Ontario Municipal Employees Retirement System (OMERS) pension are eligible to join. MROO has 18,000 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 that affect retirees, 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 and fire services, libraries, hydro commissions, school boards, health units, and other employers in the OMERS pension plan.

### **Our Board**

Our Board consists of nine directors, one from each of nine zones across the province Ontario. Our past and present Boards have included a retired chief building official, municipal budget chief, municipal clerk-treasurer, school board superintendent of business, administrative assistant, school secretary, 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**

1. Sponsored a health and dental care insurance plan including travel and a home and auto insurance plan designed by and for OMERS retirees.
2. Offered scholarships to members' relatives entering second year university or community college.
3. Communicate regularly with all our members via newsletters three times yearly, and welcome over 1200 members to annual meetings in each zone.