

Ontario's new pension should mirror CPP

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The 17,500 Target workers laid off last week face some tough choices. Many worked part-time, meaning their access to Employment Insurance is limited, and if they do qualify, benefits will be low. Just to make ends meet, some will have no choice but to tap into the group Registered Retirement Savings Plan (RRSP) and Deferred Profit Sharing Plan (DPSP) -plans Target said were there for their retirement.

Trade-offs like this are the norm for many Ontario workers today. It's almost impossible to think about retirement -let alone save for retirement -when you don't have a job, are worried about losing your job, or work two or more part-time jobs just to get by. For most low-income workers, a dignified retirement seems entirely out of reach. Even those Ontarians who earn middle or even high incomes worry about living a much lower quality of life in retirement.

Employers, large and small, have been either unable or unwilling to step up and provide the secure, adequate workplace pension plans their employees need. That's left three out of every five Ontario workers -three out of four in the private sector -with no pension plan at work.

This is why the labour movement stands behind the Ontario government's plan for an Ontario Retirement Pension Plan. A large-scale publicly-administered pension plan that employers and employees pay into equally is the best way to tackle the retirement security crisis.

Of course we agree with the Premier Kathleen Wynne -and other provincial premiers across the country -that expanding the Canada Pension Plan would make the most sense for all Canadian workers. But the federal government is refusing to take that step. And without that national plan, the Ontario Retirement Pension Plan makes a lot of sense.

Now we just need to see the Ontario government get it right. For starters, this plan must mirror the CPP so that when we do win an expanded CPP, it can be folded seamlessly into the CPP. However, the current proposal for the ORPP would exclude millions of Ontario workers, making that transition a source of confusion and uncertainty for workers and employers.

Even without an expanded CPP, the ORPP's exclusion of millions of Ontario's workers is unfair and a recipe for red-tape. It excludes, for example, many workers who are in low-paid precarious work, but who do have pensions. Think of those in employed in light manufacturing, or the workers -mostly women -who work in nursing homes and community social services. Some of those workplaces do have pension plans, but average pension benefits typically add up to less than \$250 a month. That pension is better than no pension, but it's not enough to live on, and those workers need the top-up offered by an inclusive ORPP.

As Premier Wynne and her government kick off public hearings on the plan this week, let's hope they truly listen to what all workers stand to lose, and have to say. Let's hope she and her government stand up to employers trying to get out of paying their share, and to banks and insurance companies worried about losing out on fees and some of their profits. Let's hope that, for the sake of all Ontario's workers, Premier Wynne and her government seize this opportunity to set a powerful example for all of Canada by designing a robust, inclusive and comprehensive plan that truly confronts Ontario's retirement crisis.

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Note: Hassan Yussuff is the national president of the Canadian Labour Congress, the voice of 3.3 million working Canadians. Sid Ryan is the president of the Ontario Federation of Labour, representing one million Ontario workers.

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