

# Teachers' pensions will have protection against inflations



**Walt Elliot**  
MPP  
Halton North  
Liberal

In December of 1989 the Ontario Government passed Bill 66 related to the Ontario Teacher's Superannuation Plan. There has been a great deal of comment about these changes and some of that comment indicates there is confusion about what the government has done in this recent legislation.

The job teachers do is vitally important and stressful and their contribution ensures the high quality of education in Ontario. Teachers have negotiated one of the best pension plans in the world. It is fully indexed to the cost of inflation and a teacher in today's system does not need to fear financial insecurity upon retirement.

If a pension plan is to guarantee full inflation protection when a person retires it is absolutely im-

perative that each contributor pays into the fund money enough to generate an income equal to the pay out in the future. Unfortunately, when full inflation protection was added to the plan in the mid '70s the contribution rate was set too low by the government of the day. This led to what was, before the passage of Bill 66, a \$4 billion actuarial deficit.

With the passage of the bill teachers will be paying 8.9 per cent of their wages into the plan and the Government of Ontario will contribute an equal amount for their employers. This is sufficient to provide a fully indexed pension for retiring teachers. The present actuarial deficit of \$4 billion will be covered by the government over the next several years.

The Superannuation Commission, which runs the fund, will be replaced by a board. During the long negotiations concerning the make up and powers of this board the government suggested three possible alternatives to the teacher's negotiators. The first was a totally government controlled plan which was quickly rejected by everyone. The second was a totally teacher-controlled plan in which teacher's representatives would have total control of the fund. Teacher's Federation representatives indicated that while this might be the ultimate goal, they felt it was premature at this time. This left the idea of an

equal partnership between the government and the teacher's federation as the most viable alternative.

The government wished to honor its commitment to cover the present \$4 billion deficit. It also wished to have the new legislation in place quickly to prevent the bill to the taxpayers from getting any larger. When negotiations for an equal partnership could not be completed quickly the government structured the legislation to temporarily weight the board in the favor of government representatives. The bill was also structured so that no new legislation would be necessary to change to an equal partnership when the last issues were resolved.

There is really only one major issue left to resolve. The teacher's negotiators want disputes to be settled by compulsory binding arbitration. The government does not wish to allow a single individual to determine the fate of the several billion dollars contributed by the Ontario taxpayer. When that is settled Bill 66 allows for an easy transition to an equal partnership in the running of the superannuation fund.

We have come a long way from the former, paternalistic, approach. When the last issues are resolved we will have developed a system where all parties are protected and all parties have equal input into decisions.

## St. John's UCW installs its officers for 1990

By **DOREEN DENSMORE**  
Herald Special

The Annual Meeting of St. John's United Church Women on Jan. 22, was held at the church and commenced with a delicious potluck supper. Prior to the meal Rev. Nancy Knox asked the blessing. Our guests were four husbands who had kindly consented to come and clear up after the meal, thus enabling us to continue uninterrupted with our annual meeting. They were Bob Collett, Richard Hogan, Trevor Williams and Manley Densmore. Acting president Ruth Kelly thanked them for their help.

The following announcements were noted: U.C.W. Presbyterian to be held at Erin United Church on Wednesday, Jan. 24; Presbyterian Annual Meeting at Shelburne on March 28. The four voting delegates to this meeting will be Kathryn Latimer, Ruth Kelly, Bernice Nichols and Doreen Densmore. A request has been received from Amnesty International to send greeting cards to four people that are imprisoned. The business was dealt with and

annual reports were presented and approved. Outreach chairperson Norma Nokes will send sympathy cards to Myra Peasey and Charlotte Ironside.

The members of Unit A presented a very meaningful worship service with Hilda Darcie giving a slide presentation, which was interspersed with appropriate readings by Bette Broomhead, Dovie Fiebig and Kay McCumber. The unit sang "All Things Bright and Beautiful" which certainly applied to the breathtaking beauty on Hilda's slides. Marilyn Mitton accompanied on the piano.

Rev. Nancy Knox conducted the installation of the 1990 officers and then spoke on "Change and Our Feelings Relating to Change." The meeting closed with prayer.

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## Guest speaker

Anyone interested in the law and how it applies to young offenders can join the Georgetown University Women's Club for a guest speaker Feb. 6.

Marg Wright, who has worked with the Ontario Ministry of Corrections for 18 years will be speaking at Centennial Public School at 8:30 p.m.

Her presentation will focus on the Young Offenders Act, a law passed in Canada in 1984. Ms. Wright will discuss the act's implications on today's youth, the community and the nation.

## Bus crashed

A school bus that crashed on Tenth Line near Sideroad 22, Jan. 17 at 8:30 a.m. was not being used for school purposes, police say. The driver of the 1986 International was attempting to drive northbound on Tenth Line when the bus went out of control on a patch of ice. The bus hit two trees and spun around to come to rest on a snowbank on the west side of the road, reported police. The bus had no passengers and the driver was not injured, police say. However, a tree was broken and the bus sustained moderate damage.



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