

You Asked, We Answered: UPP Café

The UPP Café sessions held earlier this month gave employees the opportunity to ask any questions they may have about a possible transition to UPP (University Pension Plan). For those who could not attend, here are several questions that were asked, and answers that may be helpful to you.

What is the value of joining UPP?

The most significant advantage is long-term stability. We know that in life, bigger is not always better, but for pensions, it almost always is better. In recent years, successive provincial governments have signaled that public sector pension reforms may be on the horizon. As such, smaller defined benefit plans like the Victoria University General Pension Plan should explore joining larger multi-employer pension plans. The bigger the shared pool, the more likely it can withstand economic turbulence. With over 39 thousand members and \$10.8 billion in net assets, there is greater reassurance that your hard-earned pension will be there for you when you retire.

What are the implications to employees of moving to a shared governance structure for the pension?

Employees have a voice in UPP's shared governance structure and make up half of the Joint Sponsors, which is a group of twelve people, comprised of equal representation from employees and employers from various participating universities in UPP. Similar to other multi-employer pension plans, there are also employee representatives on the UPP Board of Trustees.

What if I leave Vic U?

If you leave for another participating UPP employer, you can bring your pension with you. If you leave for a non-UPP employer, you have options: leaving your benefits in the Plan until you become eligible to retire; or transferring the commuted value of your UPP pension to a registered retirement vehicle such as an RRSP or to another pension plan or purchase an annuity through an insurance company.

How are increases to contributions, indexing and benefits calculated for UPP?

The contribution rates are set by the Joint Sponsors. You can learn more about the current formula [here](#). **Will my contribution increase under the UPP, and what is the impact to my benefit when I retire?**

The increased cost of contributions should be weighed against the need to have a more secure pension. The contribution rates are set by the Joint Sponsors. The benefit at retirement is determined through a standard calculation based on individual circumstances such as years of service, age of retirement etc. You can learn more about the calculation [here](#).

Do you have more questions about how UPP may impact you? Email: vic.upp@utoronto.ca