

NEWS RELEASE

Human rights complaint against the Ontario Teachers' Pension Plan alleges discriminatory survivor benefit rules

TORONTO/May 9, 2011 - Dozens of human rights applications were filed today against the Ontario Teachers' Pension Plan Board for denying full survivor pensions to those who marry after they retire.

The applications were filed by more than 80 retired educators, their widows and widowers. Also named are the Ontario Ministry of Education and the Ontario Teachers' Federation, who are co-sponsors of the pension plan.

While all teachers may pay into the plan, not all are able to extend survivor benefits to their spouses. Current OTPP rules only provide a survivor pension to a spouse who was already married to the pension plan member when they retired. If a pensioner marries after retirement, he or she must take a permanent pension reduction in order to obtain a survivor's pension for his or her spouse. The reduced pension is permanent, even if the plan member outlives the spouse that he or she married.

These pensioners pay twice for the same benefit – first when they worked and contributed to the Pension Plan and then a second time when their pension is reduced.

“Equal contributions made during a career of teaching deserve equal benefits,” said Lois Maxim, who retired in 2003 after 29 years of teaching and contributing to the pension plan. “I shouldn't be denied full benefits simply for having married later in life.”

Single when retired, Ms. Maxim subsequently married in 2008 and was shocked to learn that she would have to pay a penalty of hundreds of dollars per month to obtain a survivor's pension for her husband.

All the applicants are members of the Ontario Teachers' Survivor Benefit Group (OTSB Group), which has spent the last 10 years appealing to the OTPP, the Ontario Teachers Federation and the Ontario Ministry of Education, to no avail.

The pensioners also claim that the rules discriminate against women, who have longer life expectancies and are more likely to be left widowed and without a pension.

“The loss of this income causes great hardship to these widows. They struggle to make ends meet and sometimes must rely on social programs – despite the fact that their late spouse paid into a pension plan with a survivor benefit,” says Michael O'Flanagan, OTSB Group spokesperson.

The Ontario Municipal Employees Retirement System (OMERS) recognized the rights of post-retirement spouses 20 years ago, in the name of fairness to plan members. Similarly, teachers' plans in New Brunswick, Newfoundland, Quebec, Prince Edward Island and Nova Scotia provide survivor benefits for post-retirement spouses without penalty.

Additional background information is available at:

<http://www.otsbgroup.ca/whats-new.php>

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