

DECEMBER 2022

# RETIRED WORKERS' CHAPTER

NEWSLETTER



# TABLE OF CONTENTS

## CONTENTS

PRESIDENT'S MESSAGE .....	2
RWC MEMBER – WHERE AM I? .....	3
RETIREES HEALTH & SAFETY: FOOD FOR THOUGHT .....	4
HISTORY & BASICS OF PENSION PLANS .....	5
RETIRED WORKERS' CHAPTER: ONTARIO POWER GENERATION (OPG) MEMBERS EXTENDED HEALTH BENEFITS ISSUE .....	7
A RETIREE'S VIEW ON POWER WORKERS' UNION HISTORY .....	8
PENSION COST OF LIVING INCREASES EFFECTIVE JANUARY 1, 2023 .....	12
THE EVOLUTION OF PENSION PLAN IMPROVEMENTS FOR PWU RETIRED WORKERS' CHAPTER MEMBERS OVER THE YEARS .....	13
FEELING NOSTALGIC? .....	14
RWC MEMBERSHIP MEETINGS .....	15
DISCOUNTS FOR RETIRED WORKERS' CHAPTER MEMBERS .....	15
RWC MEMBER OBITUARY .....	16



# PRESIDENT'S MESSAGE

It's that time of year again, some of you will already be in warmer parts of the world or are planning to be in the coming weeks or months. For those staying closer to home, we encourage you to enjoy our Canadian winter living and activities as much as you can. Regardless of where you are wintering, and what you will be doing, I hope that all RWC members stay safe and healthy.

I would like to extend a warm welcome to new RWC members.

For the first time in about three years, we were able to conduct five general membership meetings this past September and October in Kincardine, Port Elgin, Barrie, Pickering and Bowmanville. Every meeting was well attended. It is always a pleasure to meet our members in person. These events provide the RWC Executive with the opportunity to update those attending regarding current events, especially with respect to benefit packages and pensions. They are also ideal forums for members to raise their concerns and provide us with input on issues which they think we should be looking into on their behalf. We are hoping to hold more membership meetings in 2023, circumstances permitting. Members will be notified of dates and locations sometime in 2023.

The majority of RWC members will receive substantial COLA increases to their pensions, most on 1<sup>st</sup> January 2023. Please refer to the COLA article in this issue for details.

A friendly reminder to those planning Out of Country trips this winter. Prior to departure we strongly recommend that you ensure that you have adequate medical insurance, cancellation, and trip interruption insurance. It is always a good idea to review your coverages, and whom to contact in the event of difficulties, before you leave. [For more information, visit our website [pwu-rwc.ca](http://pwu-rwc.ca)]

If you have comments regarding this newsletter, or the RWC in general, please contact us by phone [1 800 958 8798] or by e-mail at [rwc@pwu.ca](mailto:rwc@pwu.ca)

To conclude, on behalf of the RWC, I hope you all have a wonderful Christmas/Holiday season and that we continue our slow but steady climb out of the COVID quagmire in 2023.

In Solidarity,

**Peter Kelly**

President

PWU Retired Workers' Chapter

*"I hope you all have a wonderful Christmas/Holiday season and that we continue our slow but steady climb out of the COVID quagmire in 2023."*



**Peter Kelly**

President

PWU Retired Workers'

# RWC MEMBER – WHERE AM I?

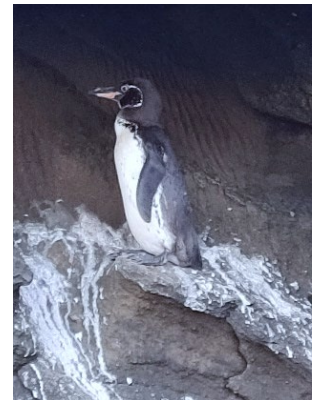
Blue footed boobies. Red footed boobies. Nazca boobies. Giant tortoises meandering very slowly around you. Sea turtles swimming with you while you are snorkeling. Marine iguanas. Penguins (the only penguins that live in the northern hemisphere). Flightless cormorants. Frigatebirds. Pink flamingos. Sea lions having an octopus lunch. Sharks. Starfish. Parrot fish. Sally Lightfoot crabs. Giant land iguanas. Stingrays. Huge schools of dolphins. Swallow-tailed gulls. Darwin finches.

97% National Park. Volcanic lava fields. Active volcanos. Lava cactus. Prickly pear cactus. Candelabra cactus. Darwin's cotton plant. Scalesias trees. Poison apple trees. Mangrove trees. Beautiful beaches. Crystal clear waters.

Movie set of Master and Commander. Amount of daylight remains the same year round. Formed on the juncture of three tectonic plates (Pacific, Cocos and Nazca). In 1835 Charles Darwin visited here, and his observations and collections contributed to his theory of evolution.



I am on a volcanic archipelago in the Pacific Ocean that is considered one of the world's foremost destinations for wildlife viewing. I am approximately 1000 km off the coast of South America, on each side of the equator, and part of the Republic of Ecuador. There are 18 major islands of which only four have human settlements. The rest of the islands forbid overnight stays, and you can only visit (with a National Parks Naturalist Guide) between 6 am and 6 pm. The Islands are a UNESCO World Heritage Site and they were designated as a National Park in 1961.



***I am sure you have guessed by now – I am in the Galapagos Islands.***

After being grounded due to COVID-19 for a couple of years, we felt privileged to be able to visit these spectacular islands for 10 days in September. It is an amazing part of the world. We were on a Celebrity Cruise (max. 100 persons). There is no docking anywhere on the Islands – access is allowed by tender only. Visiting the Galapagos Islands is a once in a lifetime experience and there is no place like it in the world.

Hope your travels take you to interesting and unforgettable places.

Next trip – 2023 – Tuktoyaktuk. Happy Travels Everyone! Stay Safe.



**Dorothy Couvier**  
Retired Staff Officer



# RETIREES HEALTH & SAFETY: FOOD FOR THOUGHT

Unpacking safety for retirees is not nearly as simple as just saying, "Be careful or drive safely". We all laugh at the cartoon that often shows up on social media. In the cartoon an older person sees a younger version of themselves in the mirror and the caption reads, "inside every older person is their younger self, asking what the heck happened"? We all do something similar and much of it has to do with just how quickly the years have raced by.



As PWU Retirees we have spent a working life making a better life for our families and ourselves. We have also made unassailable contributions to the quality of life for all citizens of Ontario. There is no possible way that this drive just turns off after we retire. As a matter of fact, senior safety advocates see the exact opposite where retirees take on even more. There is no cookie cutter that describes the work and activities retirees undertake in retirement. Some examples are home renovations, community volunteerism and engaging in childcare for grandchildren as a support for adult children. Intentionally, not mentioned, is the re-engagement to the pre-retirement workplace. More than perhaps any previous generation, the retirees of today do not give up engaging in the vigorous sports, exercise, and hobbies of a lifetime.

The majority of retirees are fully engaged in a combination of all the foregoing, and this is profoundly healthy. Not only physically healthy, but mentally healthy. Not necessarily something fully appreciated in the earlier working lives of today's retirees, we can be very thankful that it is widely embraced, and active retirees are almost certainly better off from a mental health point of view.



Advocacy, on behalf of our own health, is more and more important as healthcare services come under ever increasing stress. In other words, ensure that we watch and monitor our personal health and push for care, or different care, in the event that the service provided is not as expected. Just as important as advocacy is taking the time to make sure we are well prepared for what we take on. This means ensuring that we are well prepared, warmed up and that we do not take undue risks such that we are susceptible to injury.

As active retirees we should be proud that we are not letting the number of candles on the cake dictate all that we do. Nonetheless, nothing prevents the passage of time, so let us use the wisdom of the passage of time to keep ourselves safe and well.



**Dave Trumble**

PWU/Bruce Power Retiree

# HISTORY & BASICS OF PENSION PLANS

At our RWC membership meetings we naturally receive questions regarding our pension plans.

The following is a short history of the basics of pension plans for workers in Canada.

It is important to recognize that pensions are not “free” as some people maintain. Normally the funds in a pension plan are comprised of employee and employer contributions. Employer pension contributions are deemed to be part of the overall wage package. Logically, but not always the case, if you do not have a pension plan your hourly rate/salary may be higher.

Workplace pensions in Canada are very much a 20<sup>th</sup> century story. However, the first pension plan dates back to 1874.

During the 1800's most people worked in farming, crafts or trades. Support in old age was normally provided by their offspring who had taken over the family business or farm. In the early 1900's banks, railroads and some larger companies began offering pension plans to their employees. By 1960 nearly half of the private sector workforce in Canada had a pension plan.

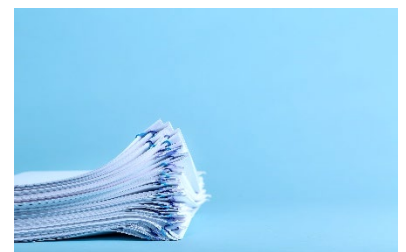
The information below is intended to only provide basic information regarding pensions in Canada.

**It is not intended as advice and should not be relied upon in making individual pension decisions, which should be made on information from the pension plan administrator and the individual's financial advisor.**

There are basically three types of pension plans:

## DEFINED BENEFIT PENSION PLANS

These plans are, for the most part, funded by the employer and the employee. The defined benefit, or pension payable, is determined by a formula that varies with the terms of the pension plan. The multiplier in many cases, is 2% times your years of credit service, times your average service earnings of your best 5 or 3 years. Many plans cap the years of service at 35, so if the multiplier is 2%, the maximum pension would be 70%. The OPG plan allows members to continue to contribute after 35 years of service if they elect to do so, which would result in a pension in excess of 70%.



There is an obligation on employers to maintain the funds in the plan at a level that will ensure there is a sufficient amount in the pension plan to pay for plan members' pensions. Normally, the employee contributions are fixed, but may be changed through negotiations, and the employer contributions vary depending on the financial standing of the fund. However, some plans, for example, OMERS [Ontario Municipal Employees Retirement System] are known as Jointly Sponsored Funds which require that representatives of both employers and employees are jointly responsible for the financial health of the pension plan and that both employees and employers make equal contributions to the plan. Because of the financial obligations associated with many defined benefit plans, employers have in recent years been trying to exit these types of plans.

## DEFINED CONTRIBUTION BENEFIT PENSION PLANS

Normally the employer and the employees make similar contributions, but in some plans the employer contributes more than the employees. The pension a member will receive will be determined by the financial health of the fund and the value of the pension attributed to the individual employee. There is no obligation on employers to maintain a specific level of funding, other than their required contributions. Some employees like these plans because they allow employees to take the funds with them if they change employers. Also, some employees believe they have more control over their retirement funds in these plans and they anticipate improved pensions on retirement. All the financial risk for these plans is shouldered by the plan member. The advantage of portability is usually outweighed by the potential that the employee may not have sufficient pension funds available to them to retire at their preferred retirement date.



## GOVERNMENT BENEFIT PENSION PLANS

Old Age Security [OAS] was established in 1952 and Canada Pension Plan [CPP] was established in 1966.

**OAS** is funded through the tax system. To receive the maximum pension benefit you must have 40-years of residency in Canada over the age of 18. The pension is payable at age 65. Individuals may delay their OAS beyond 65 if they choose. This choice will result in an increased OAS. The current maximum pension amount is \$685.50 at age 65 and \$754.05 at age 75+, depending on qualifying residency years, age, marital status, and level of income. The payments are adjusted for inflation 4 times annually in January, April, July, and October. Once your taxable income reaches \$86,912.00 [2022 amount] a claw back clause is activated, and the payable amount is reduced. When an individual's taxable income reaches \$129,757.00 the OAS pension will be totally clawed back. Seniors aged 75 and over will see an automatic 10% increase of their Old Age Security pension, as of July 2022.

**An OAS pension calculator is available on the Government of Canada website at:**

<https://www.canada.ca/en/services/benefits/publicpensions/cpp/old-age-security/payments.html>.

**Canada Pension Plan [CPP]** is funded by contributions from workers and employers. CPP payments are based on a recipient's income and years of contributions. The current maximum pension ranges from \$727.61 to \$1,253.59 a month when taken at age 65 depending on an individual's circumstances, including contribution years and marital status. **To receive the maximum CPP you must have contributed for 39 years.** A person may elect to start receiving their CPP payment as early as age 60. Such a decision would result in a reduced pension. Conversely, a person can opt to delay their pension beyond age 60, such a decision would result in an increased pension. The CPP is adjusted for inflation annually via a COLA formula.

**Details of the CPP and a pension calculator are available from the Government of Canada at:**

<https://www.canada.ca/en/services/benefits/publicpensions/cpp/cpp-benefit/amount.html>.

## REGISTERED RETIREMENT SAVINGS PLAN [RRSP]

This program was created in the 1980s. It allows persons to contribute money to an account to save for retirement. Contributions are an income tax deduction at the time they are made. However, like most other pension income, they are taxable when the funds are withdrawn in later years.

## TAX FREE SAVINGS ACCOUNT [TFSA]

This plan came into effect in 2009. Individuals are allowed to contribute monies into a savings plan up to a defined amount annually. [\$6,000.00 in 2022 and \$6,500 in 2023]. Unlike RRSP's these contributions are not tax deductible, but when money is withdrawn from a TFSA it is not considered to be income and is non-taxable and neither is any interest earned on the investment.

## PERSONAL SAVINGS

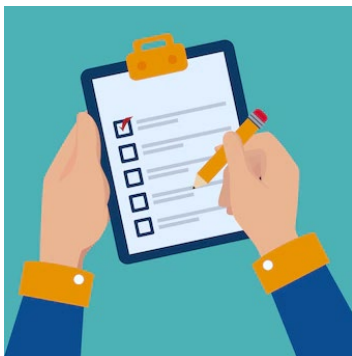
People's personal savings and investments can also be valuable sources of income in retirement. The above information describes the pension basics only. Collective Agreements contain additional benefits for members such as COLA clauses etc.

Unions have been, and still are the principal advocates for pensions for workers. It is no coincidence that, as rates of unionization have declined in Canada, so have the levels of workers having private pensions. Currently, 2/3 of workers in Ontario have no private pension. We, as retirees, must acknowledge that PWU bargaining teams continually face pressures to reduce pension benefits for both workers and retirees. They have been steadfast in their defense of these benefits and deserve our congratulations and gratitude for the excellent job they've done.

# RETIRED WORKERS' CHAPTER: ONTARIO POWER GENERATION (OPG) MEMBERS EXTENDED HEALTH BENEFITS ISSUE

Health Service Providers - OPG (Sun Life)

### REMINDER – CHECK BEFORE YOU INCUR A SIGNIFICANT BENEFITS EXPENSE



This is a reminder that Sun Life, which administers the OPG benefits plan for PWU members and retirees, is denying claims for products or services provided by "delisted suppliers".

We first raised this issue in a bulletin to our members in March of 2020. Since then, there have been occasions where members have used one of the delisted providers and have had their claims denied.

Retirees are urged to check with Sun Life before they purchase a product or service that they believe is covered by the OPG benefits plan to ensure that Sun Life will not deny their claim. If the provider is on the delisted supplier list for the proposed product or service, Sun Life will deny the claim.

Retirees can contact Sun Life as follows:

**1-800-361-6212**

**MONDAY-FRIDAY: 8AM-8PM ET**



A list of the "delisted suppliers" may be found on the Sunlife website.



# A RETIREE'S VIEW ON POWER WORKERS' UNION HISTORY

In 1955 the Employees Association of Ontario Hydro became the Ontario Hydro Employees Union (OHEU) and that same year we affiliated with the National Union of Public Service Employees which eventually became the Canadian Union of Public Employees (CUPE).

During that same year The Hydro-Electric Power Commission of Ontario continued the rapid expansion of generating capacity in several major projects. Sir Adam Beck-Niagara Generating Station No. 2, added five 105,000-h.p. units, raising the total capacity to 1,260,000 HP. Six reversible pump turbines were installed at the pumped storage generating station associated with the development. The Commission was continuing construction of the control dam which forms part of the Niagara River remedial works, carried out jointly by Canada and the United States. Rapid progress was being made on the St. Lawrence River Power Project, the Canadian portion of which was being constructed. The relocation of the village of Iroquois was almost finished; about 220 houses were moved during 1956 from areas to be flooded.

1955 was a time of great scientific and structural achievements that would allow Ontario to become the industrial hub of Canada and Canada to be recognized on the world stage for Nuclear Power innovation.

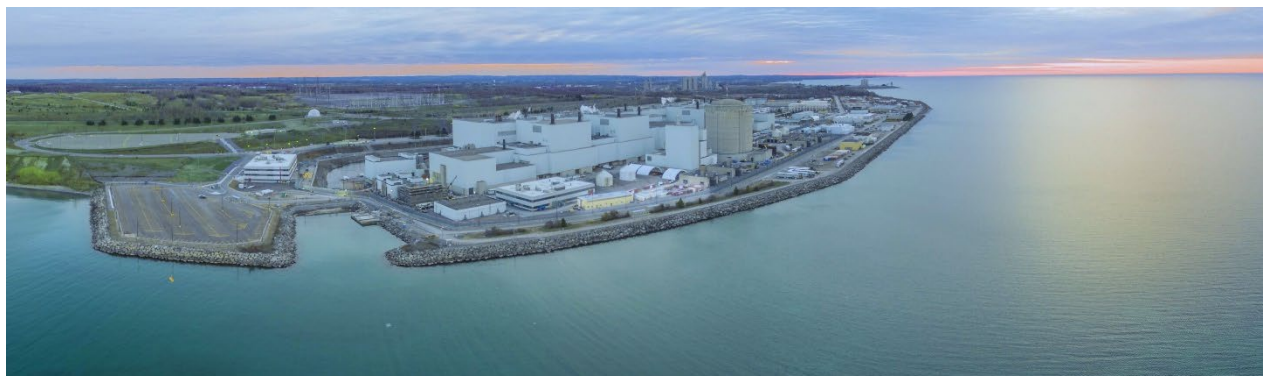
The following article is from the 1955 Christmas Edition of the Ontario Hydro Staff News Magazine. This article gives you a glimpse into the minds of that time when Ontario and its labour force were growing rapidly. Advancements in technology and the growth of our Union were moving at a rapid pace. *(Article can be found on next page)*

This article was published 7 months before I was born and 10 short years after the end of WWII. This step back in time to 1955 made me stop and think about the shoulders we all stood on during our working careers. I hope you enjoy this journey as much as I have.

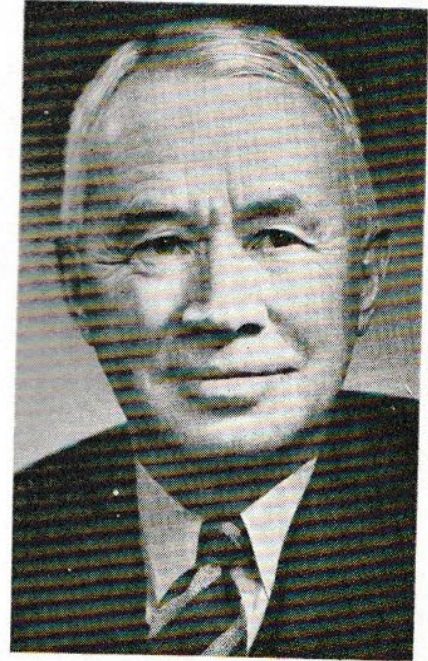
Merry Christmas and Best Wishes for 2023,



**Kevin McKay**  
PWU/Bruce Power Retiree



# Canada's First NUCLEAR Power Plant



DR. R. L. HEARN

A LITTLE more than ten years ago, the public first learned through a development of war that it was possible to split the atom. The immediate question was, of course, could energy-producing nuclear reactions be performed on a workable, controllable basis? We quickly discovered that the answer was affirmative and that in 1942 in Chicago, Dr. Fermi and a small group of associates had withdrawn the control rods from a small atomic pile to produce a steady flow of heat rated at some 250 watts.

Since the end of World War II, we have all followed the progress of nuclear developments — wondering at first if they would be primarily forces of destruction or construction. Happily, if somewhat ironically, one developed from the other and since that historic day in August, 1945, when we learned what had happened at Hiroshima, it has been proved that the atom can be harnessed to benefit mankind and not just destroy it. A glimpse into the future of the peaceful applications of atomic energy were brought clearly into focus at the International Conference on the Peaceful Uses of Atomic Energy

held in Geneva in August of this year.

Canada has not been slow to take up this new challenge to the ingenuity of our scientists, physicists and engineers, and I believe that

Dr. Hearn was honoured recently by being asked to speak in front of that august scientific body, the Royal Canadian Institute, on the subject of Canada's First Nuclear Power Plant. Although an audience of some one thousand people heard him on that occasion, there were many Hydro employees, especially outside Toronto, who had no opportunity of doing so. Because we, in Hydro, are all personally concerned in this great, new adventure in power, **Staff News** takes pleasure in printing Dr. Hearn's speech in part.

the work that has been accomplished at Chalk River is a record of proud achievement. A very low energy research reactor known as "Zeep" was the first reactor in the world to operate outside the United States when it was built at Chalk River in 1945. In 1947 a much larger

research reactor known as "NRX" was placed in operation and has since been the world's major source of cobalt-60 for use in cancer therapy units. In addition, Atomic Energy of Canada Limited plans a third reactor for operation next year and which will be known as the "NRU." This reactor has been described by William J. Bennett, President of Atomic Energy of Canada Limited, as the "finest research reactor in the world because of its size and high neutron flux."

With these developments in mind, Canada has played a leading role among the world's nations in the field of nuclear research and is in the position where she can play a very important part with the United Kingdom, the United States and Russia in the field of development of nuclear energy for electrical power.

This brings me to the main point of my address — Canada's need for nuclear energy to take care of its future power requirements. Let me first dispel any ideas that this is a new form of power. It will be the same conventional electricity, but it will be produced from steam heated by a new method — nuclear fission . . .

The heat from the fission of the nuclei can be used to produce steam to drive an electric generating plant. The reactor, that is, the plant in which fission takes place, is thus the equivalent of the coal or oil-burning furnace of existing power stations.

Until 1953, Ontario Hydro had assigned no full-time staff to nuclear power studies although close touch had been kept with developments in this field through my own association with Atomic Energy of Canada Limited. In that year, however, it became evident that this new source of power could have a definite place in our long-term system development. A small group of Hydro engineers, together with engineers from other utilities across Canada, was then formed to undertake feasibility studies at Chalk River.

As a result of a decision made by the Federal Government last March, the first phase of Canada's program for the development of economical nuclear power will be completed during the next few years with the construction of a demonstration nuclear-electric power plant in Ontario. To be known as the Nuclear Power Demonstration, this 20,000-kilowatt station will be supplying power into Ontario Hydro's system in 1958 from a site adjacent to our present Des Joachims Generating Station on the Ottawa River. Design and construction of the plant will be undertaken jointly by Atomic Energy of Canada Limited, the Canadian General Electric Company and Ontario Hydro.

The estimated cost of the plant envisaged for "N.P.D." may be more than \$11 million. The power produced is not expected to be competitive with that produced by hydro-electric or conventional fuel-electric stations, but the main objectives of such a plant of low power rating are:

**First**, to demonstrate that electricity can be generated by a nuclear plant of such a design and to provide information for the construction of a large-scale station;

**Second**, to gain practical data on the economics of power production with nuclear plants;

**Third**, to gain experience in design and operation, particularly on those aspects which differ from research reactors, and **Fourth**, to train personnel, both in plant design and in operation . . .

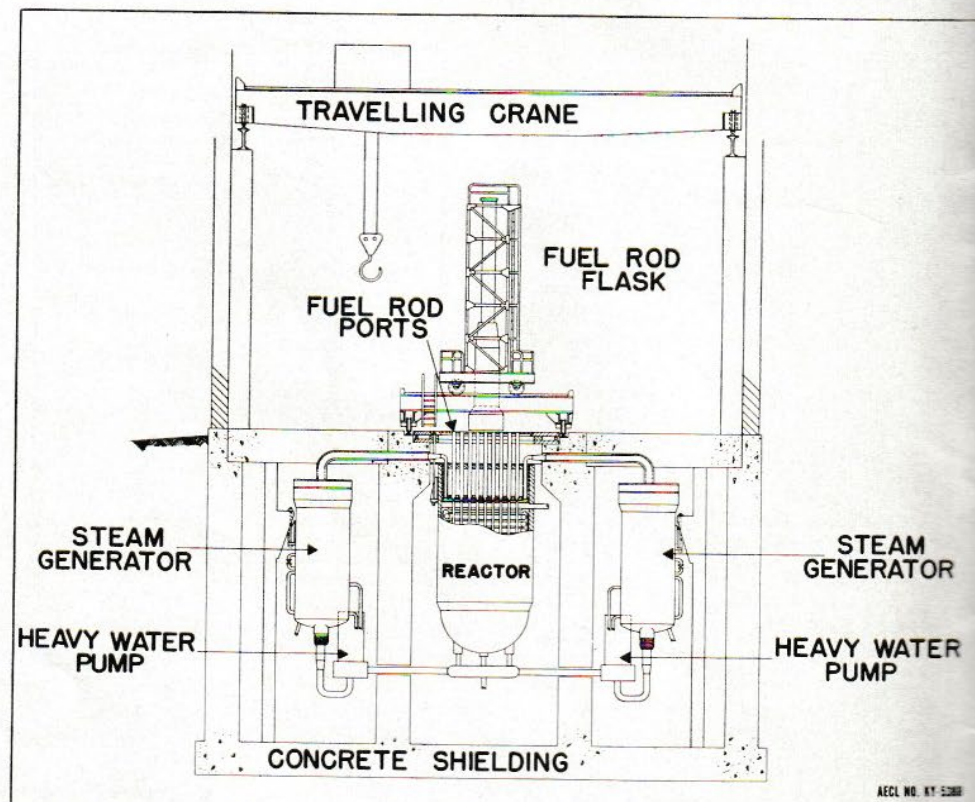
May I say at this point that in attending atomic energy conferences this summer both at Geneva and in England, we all learned a great deal, but heard nothing that would alter my opinion that our present approach to achieving an economic nuclear power plant in Canada is both realistic and sound. In fact, I am convinced that power generated from nuclear sources at considerably reduced cost is probably less than a decade away and I am proud to say that Canada will have

shared in the achievement of this aim.

In reporting to the Conference on Peaceful Uses of Atomic Energy held in Geneva last August, Doctors Lewis and Davis in describing Canadian achievements, forecast that the part played by nuclear energy, while modest in the years immediately ahead, is expected to expand rapidly. With this statement I am personally in agreement. Calculations based on cost expectations point to the possibility that several millions of kilowatts of capacity will be installed during the early 1970's. By 1980 nuclear power plants may conceivably account for as much as 10 to 15 per cent of the total generating capacity in Canada.

It would appear, therefore, that we are on the threshold of a new age — an era in which, possibly

Schematic drawing of "NPD" (Nuclear Power Demonstration) which is to be built near the Des Joachims G.S., on the Ottawa River, and is scheduled for operation in 1958. The station's reactor will use natural uranium for fuel (possibly slightly enriched with plutonium), in the form of about 200 rods — sheathed in zirconium — and also heavy water as a moderator and coolant.



AECL NO. NT-5280

for the first time, every nation will contribute its share of knowledge for the overall benefit of mankind. And I sincerely believe that whatever nuclear developments occur during the coming years and whatever the revolutionary effect that they have on our daily lives, we should remember that this new science has been the means of bringing nations together on a common ground.

In his opening address at Geneva, Conference President, Dr. Homi Bhabha of India, stated that:

"The purpose of this Conference is to discuss the peaceful uses of atomic energy, and to exchange scientific and technical knowledge connected with it. The importance of this exchange of knowledge can hardly be overestimated. Knowledge is perhaps the most important possession of Man. It is the accumulated knowledge of centuries which differentiates modern Man from his ancestor in the dawn of civilization. It is this knowledge, and not any notable change in his physical and mental equipment, which has enabled him to build the civilization of today. One can hardly foresee the far-reaching developments to which this Conference may lead."

Dr. Bhabha closed the two-week conference as he had opened it — with words of inspiration for the future of international science — when he said the following:

"This scientific conference, which will inevitably have far-reaching political consequences, differs in one important respect from all political conferences. Knowledge once given cannot be taken back, and in organizing this Conference the nations of the world have taken an irreversible step forward, a step from which there is no retreat . . . One of the most important contributions of this Conference is that in this important field it has re-established the channels of communication between men of science in different countries, channels which

were interrupted with the outbreak of the Second World War. It has re-established that free exchange of knowledge among men of science which is one of the greatest glories of our civilization. It is clear that this exchange of knowledge must continue, and all are universally agreed that after an appropriate period another conference of this type should be held to continue the work which we have here initiated."

In looking to the future we can only be guided by the past. Experience has proved, generally speaking, that the long-term rate of load growth for our highly industrialized Southern Ontario System has been equal to about six percent per year for the last 30 years. This rate of growth, which represents a doubling in the demand for power every 12 years, compares very closely with similar estimates prepared for demands across Canada and in the United States.

With this in mind, we must assume that as far as Canada is concerned we must be prepared to meet demands of some 34 million kilowatts by 1975 compared with the demand at the beginning of this year of 11,306,000 kilowatts. Canada's gross capability of meeting this demand at the beginning of 1955 was a little more than 13 million kilowatts. Within the next 20 years, therefore, Canadian utilities must plan to develop more than 21 million kilowatts.

We must determine, of course, from what source this additional power will be provided. In the past, Canadians have relied mainly upon the water resources available to most provinces. Of the estimated 49.2 million kilowatts (66 million horsepower) of water power commercial potential recorded in Canada, 12,446,400 kilowatts (16,684,131 horsepower) or 25 percent had been developed by the end of 1954. This provides a per capita installation of 0.82 kilowatts (1.1 horsepower) making Canada second only to Norway in terms of per capita hydraulic turbine installation. Of the ten provinces, British Columbia,

Quebec and Ontario lead with per capita installations of 1.33 kw. (1.78 hp), 1.32 Kw (1.77 hp), and 0.72 Kw (0.96 hp) respectively.

The pattern of the future, however, indicates that with the exception of British Columbia and Quebec, large-scale hydraulic development has reached the stage where the majority of undeveloped water sites are in the less accessible locations and would not prove suitable from an economic point of view. The alternative must, therefore, be additional thermal generation in the Prairie Provinces, the Maritimes and Ontario unless a means is discovered of developing and transmitting over long distances large blocks of hydraulic power on a competitive basis with thermal generation.

Coming closer to home, we estimate that the power demand in Southern Ontario in 1975 will have grown to about 9,500,000 kilowatts. Upon completion of the St. Lawrence development in 1960, there will be about 4,600,000 kilowatts available, leaving some 5,000,000 kilowatts of additional generation to be provided between 1960 and 1975. When the St. Lawrence project is completed large-scale hydraulic resources in Southern Ontario will have been fully developed and, as I indicated, Ontario Hydro must plan to meet the major portion of this 5,000,000 kilowatts from thermal installations.

In closing, may I say that the impact upon our lives of nuclear fission, and beyond that, thermonuclear fusion, will undoubtedly bring many problems. But we must all face the challenge of the future and fortunately this is not a formidable task for Canadians who have proved their adaptability to circumstances inherent in a maturing nation. I am sure, in fact, that our statesmen, our scientists, our engineers, and our businessmen will work together to ensure in the future, as they have in the past, that Canada remains in the forefront of modern advancement. \*\*

# PENSION COST OF LIVING INCREASES EFFECTIVE JANUARY 1, 2023

## OMERS Pensioners to Receive an Increase of 6.00% in 2023

The 2023 inflation adjustment was calculated at 6.51%. As this exceeds the 6% maximum, pensions will increase in January 2023 by 6% and the 0.51% excess will be applied to a pension impacted by this maximum in a future year when the inflation adjustment (for benefits earned on or before December 31, 2022) is less than 6%, provided the impacted pension is still in play. The COLA calculation was based on the Consumer Price Index (CPI) from October 2021 to October 2022.

## Ontario Hydro Successor Companies COLA Increase for January 1st, 2023, will be 7.9%.

Pension benefits for Pension Plan members of Ontario Hydro Successor Companies who, immediately prior to termination of employment were members of the Power Workers' Union, will be increased on January 1st of each year by 100% of the increase in the Consumer Price Index (CPI), up to a maximum of 8% per year.

This is based on the CPI for the period June 2021 to June 2022.

Ontario Hydro successor companies include the following:

- ◆ • Bruce Power
- ◆ • Kinectrics
- ◆ • Hydro One
- ◆ • Ontario Power Generation
- ◆ • Nuclear Waste Management Operation
- ◆ • Electrical Safety Authority
- ◆ • New Horizon System Solutions
- ◆ • Independent Electrical System Operator



# THE EVOLUTION OF PENSION PLAN IMPROVEMENTS FOR PWU RETIRED WORKERS' CHAPTER MEMBERS OVER THE YEARS

**This article relates to the Ontario Hydro Pension Plan. The provisions of this plan were transferred to all the Ontario Hydro Successor Companies in 1999.**

Unions monitor pension plans. This is done by elected union officials with the assistance of legal counsel and other experts. Where a defined benefit pension plan exists, as was the case at Ontario Hydro, union representatives normally sit on a pension committee where they receive information from the employer on the Pension Fund's performance annually. They can ask questions and provide recommendations etc. Normally improvements to the Plan are negotiated by Union bargaining teams at the bargaining table.

Back in the mid-80s the Power Workers' Union (called OHEU at the time) discovered that the employer responsible for the pension plan, Ontario Hydro, had stopped making contributions to the plan. When confronted with this fact, the employer's response was that it was taking a "contribution holiday" because the fund was at a sufficient level and that they were not required to make contributions.

At that time the pension plan was established and governed by the *Power Corporation Act (PCA)*. This statute stipulated that the employees and the employer would make contributions to the pension plan. There was no provision in the *Act* that allowed the employer to opt out of making contributions. The Union, after many meetings with the employer to rectify the situation, was left with no alternative but to sue the employer on the basis that it was violating the provisions of the PCA.

The court agreed with the OHEU that Ontario Hydro had to make the contributions to the plan and had to contribute the funds it had failed to contribute in the past. This meant the

employer owed the plan \$660 Million (1989 dollars). The court also awarded the Union legal costs due to its success in court.

The union's position at the time was that there was no provision in the law for the employer to cease making contributions. If the pension plan fund was exceeding expectations the fund should make improvements to the pension plan that would benefit members. This issue became known as "**The Big Hydro Steal**" (as per OHEU President at that time, the late Jack MacDonald). Although no money was removed from the pension fund by the employer, the Union's position was that by failing to make contributions that it was legally obligated to make, the employer had in effect converted to its own use, funds which belonged to the Plan.

Eventually, and after many attempts to resolve the issue at meetings, it was decided that the issue would be dealt with at the next round of collective bargaining.

Bargaining committees in the 1990's were able to make the following improvements to the Pension Plan utilizing the monies awarded by the court settlement:

- ◆ Improvement to spousal pensions
- ◆ Improving the average highest earnings to be used to calculate pension benefits from the best 5 years to the best 3 years.
- ◆ Began reducing the rule of 90 down to the rule of 82.
- ◆ Creating a cost of living allowance clause (COLA) which guaranteed 75% of the Ontario CPI to an annual maximum of 8% with the additional amount carried over to a later year where CPI was below 8%. A

notional account was created to primarily cover top-up for the additional 25% of indexing. Prior to this, pensioners would from time to time receive ad hoc increases at the discretion of the employer which did not cover the full inflation amount.

The Union also ensured future protection of the terms of the Pension Plan by negotiating a clause in the Ontario Hydro collective agreement incorporating the terms of the Plan into the collective agreement, meaning that changes not mandated by law could only be made with the consent of the Union. Our Pension Plans are still incorporated into the Ontario Hydro Successor Collective Agreements.

In 1995, when the Harris Conservatives came to power, one of their first actions was to repeal the *Power Corporations Act*. Pension Plans are now regulated under the Ontario

*Pension Benefits Act*. However, the collective agreement protections negotiated by the PWU into the Ontario Hydro Collective Agreement flowed through to the Ontario Hydro Successor Companies, including OPG, Hydro One (then called the Ontario Hydro Services Company), the Electrical Safety Authority, and the IESO (then called the IMO). These provisions have continued into the successors of those companies, including Bruce Power.

It is important for RWC members to know about the constant efforts of the PWU which provided us and continue to provide us with superior pensions – indeed, with some of the best pension plans in the country.

At every set of negotiations, employers attempt to take away pension provisions. We want current workers to have the same pension benefits as we enjoy.

**We must lobby current members, who will be future union retirees, to maintain and improve any pension provisions.**

## FEELING NOSTALGIC?



**DO ANY OF YOU REMEMBER THESE EVENTS? SEND US YOUR COMMENTS. ALSO, IF YOU HAVE ANY PAST EVENTS YOU WISH TO SHARE SEND THEM TO US. COMMENTS AND ARTICLES/PHOTOS/ETC. SEND TO [RWC@PWU.CA](mailto:RWC@PWU.CA)**

# RWC MEMBERSHIP MEETINGS

After not having any membership meetings since 2019 due to COVID, we were able to conduct 5 meetings this year (2022) in September and October.

Our annual meetings are an important part of our yearly operation. They provide a good opportunity to hear directly from our membership regarding issues and provide members with an update on issues that are or will affect RWC members. Meetings are normally held at local branches of the Royal Canadian Legion.

Meetings were held in September and October in Port Elgin, Kincardine, Barrie, Pickering and Bowmanville. These meetings had very good attendance.

The plan is to conduct meetings for 2023 in the following locations:

- ◆ Georgetown
- ◆ Chatham
- ◆ Simcoe
- ◆ Kingston

The meeting dates and locations will be posted on our web site in early 2023. Members in the catchment areas of the meetings will be notified within 6 weeks of the meetings. We are considering conducting virtual meetings for those RWC members who are unable to attend in person.

## DISCOUNTS FOR RETIRED WORKERS' CHAPTER MEMBERS

### TRAVEL DISCOUNTS

The RWC has made an arrangement with **STAFFORD TRAVEL AGENCY** for RWC members to receive a discount when booking vacation packages and also flights. Discounts will be as follows – 4% on vacation packages and a flat service charge of \$25.00 for flights.

To receive a discount contact John Stafford at 416 481 5106 or at [staffordtravel@sympatico.ca](mailto:staffordtravel@sympatico.ca) and identify yourself as a RWC Member. Stafford Travel has served the travel needs for the POWER WORKERS' UNION for over 60 years.

### HOME & AUTO INSURANCE DISCOUNTS

The broker we have arranged this program with will provide the following savings:

- ◆ • 10% savings with group plan
- ◆ • 5% additional savings for CAA Members

Contact the agent below and identify yourself as a PWU RWC Member to receive the discount.



Conrad Vachon | President

416-645-3166 | [cvachon@vachoninsce.com](mailto:cvachon@vachoninsce.com)

**Vachon Insurance Group**

200-5468 Dundas St. W. Toronto, ON M9B 6E3

Office: (416) 239-3373 | Toll-Free: 1 (800) 766-8662 | Fax: (416) 239-4944



# RWC MEMBER OBITUARY



**Frank Maybury**

**1955 - 2022**

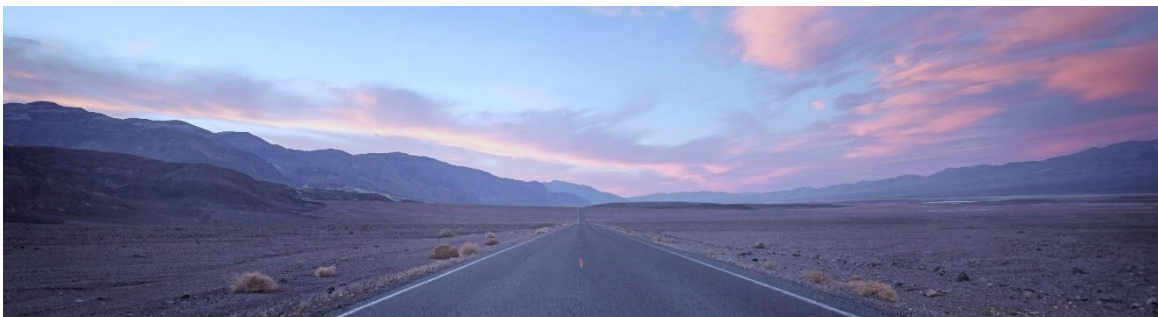
Passed away at the Napanee General Hospital on Saturday, November 5, 2022, in his 67th year after a long battle with cancer.

Frank spent his youth in Port Elgin, Ontario and at age 18 joined Ontario Hydro (now Ontario Power Generation). He worked at Bruce A Construction, Bruce Heavy Water Plant - Materials and Inspection and at Bruce Nuclear - Fuel Inspection, and then relocated and retired from Darlington Nuclear. Frank was an active member of the PWU and served as a Chief Steward at Darlington Nuclear Station.

After retirement, Frank continued his involvement with the Union by serving as an Executive Board Member on the Retired Workers' Chapter of the PWU for Sector 1.

As per his wishes, there was no funeral. Frank will be interred at Sanctuary Park in Port Elgin, Ontario next to his parents Frank and Joan Maybury. He will be missed by all who knew him.

**THANK YOU FOR READING**



# THE PWU RETIRED WORKERS' CHAPTER NEWSLETTER

is published twice yearly with assistance from the  
PWU COMMUNICATIONS DEPARTMENT

Publisher: Peter Kelly

Editor: David Shier

## QUESTIONS? SUGGESTIONS? CONTACT US:

Visit our website:

<https://pwu-rwc.ca>

Email: [rwc@pwu.ca](mailto:rwc@pwu.ca)

Mail: Retired Workers' Chapter  
234 Eglinton Ave E.  
Toronto, ON  
M4P 1K5



POWER WORKERS' UNION

**RETIRED  
WORKERS'  
CHAPTER**