

December 1, 2021

Blake Hutcheson
CEO, OMERS

George Cooke
Chair, OMERS Administrative Corporation

Michael Rolland
CEO OMERS Sponsors Corporation

RE: Call for an independent third-party review of OMERS' investment strategies

Dear Sirs,

Attached you will find a statement signed by twelve unions and associations representing over 50 percent of OMERS plan members calling on you and OMERS to cooperate with plan sponsors and stakeholders to conduct an independent third-party review into the pension plan's investment strategies and returns.

After a decade of underperforming returns, clarity and action are needed. OMERS members cannot face the possibility that the plan's poor investment performance will continue into the future.

Together, these 12 organizations represent more than half of OMERS' active plan members. We believe that OMERS should take seriously a call from such a large group of its sponsors and stakeholders and act accordingly.

We request a response by December 17, 2021.

Sincerely,



Fred Hahn
President, CUPE Ontario on Behalf of the Undersigned

CC: OMERS SC Board Members, OMERS AC Board Members

As revealed in a recent report, OMERS investment returns have significantly trailed those achieved by comparable defined benefit pension plans and funds in Canada over a 10-year period. OMERS long-term investment returns have also underperformed compared to OMERS internal benchmarks over this same period. These critical measures of underperformance have, however, not been disclosed to plan members, sponsors, or stakeholders, by OMERS.

Had OMERS performed at the average of the other major plans in the country, our plan would be in a significant surplus today. Investment returns are critically important for a Defined Benefit plan like OMERS. This chronic underperformance places pressure on contribution rates and plan benefits. As we know, OMERS has already adopted a change to plan benefits by removing the guarantee of indexing and moving to conditional indexing based on performance. Good investment returns are clearly in the best interest of all plan members.

Plan sponsors and stakeholders – workers, retirees and employers – cannot afford another decade of sub-standard returns at OMERS. The long-term investment failures of OMERS justify an independent, expert review of OMERS investment performance and practices. Yet OMERS and its Boards maintain that “everything is fine” and have flatly refused the calls for such a review.

Therefore, we the undersigned, support OMERS sponsors and stakeholders leading and co-ordinating an independent, expert review of OMERS investment performance and practices, with the full cooperation of and all necessary information provided by the plan’s staff.



John Di Nino, President
Amalgamated Transit Union Canada




Peter Bleyer, Executive Director
Civic Institute of Professional Personnel




Eddie Mariconda, President
CUPE Local 416




Fred Hahn, President
CUPE Ontario




Dave Mitchell, President
CUPE Local 79




Domenic Murdaca, Business Manager
IBEW Local 636




Craig Reynolds, Ontario Regional VP
Public Service Alliance of Canada




Sharleen Stewart, President
SEIU Healthcare




Michelle Johnston President
The Society of United Professionals




Shawn Haggerty, President
UFCW Locals 175 & 633




Ian Robb, Canadian Director
UNITE HERE




Jerry Dias, National President
UNIFOR

