



# Ontario Teachers' Pension Plan Annual Meeting

Remarks

by

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The Carlu  
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Thank you, Neil.

It is my privilege to report to you on behalf of Member Services.

As the face of the Pension Plan, we work for some 289,000 members – working members, retirees and their survivors.

We're one of Canada's largest pension service organizations and we manage one of nation's largest payrolls. In fact, we process billions of dollars in contributions and millions of pieces of personal information every year.

We do all this with great sensitivity to the individual needs of our customers.

Last year, 4,100 retirees started to receive a pension. The average age at retirement in 2009 was 58 and the average pension for a teacher retiring at the 85 factor, was \$42,900.

We expect over 50,000 members to retire in the next decade. And, by 2020, more than 140,000 former teachers and their dependents will be drawing benefits from the plan.

Paying pensions on time is just one of the many things we do. What makes us stand out in the pension industry is our attention to personal service and maintaining high quality.

Let's take a look at our commitment to personal service. This is a direct reflection of our  $e=(mc)^3$  strategy. You may recall we reported on this last year.

"E" is for excellence in everything we do for our members. "M" is for more of the three "c's", which stand for: Customization, Counseling and Choice

This strategy creates exciting opportunities. We know that throughout their careers, teachers have vastly differing needs. Therefore, we segment our membership according to where they are in their lives, in order to help us tailor a *customized* experience.

A new teacher, who is just entering the plan, may be guided through the mechanics of naming a beneficiary or setting up a personal profile. But, for teachers nearing retirement, we might focus on helping them understand the implications of their survivor benefit choice.

Regardless of their life stage, we constantly strive to provide members with sound guidance. To enhance our counseling focus in 2009, we gave our specialists the training and tools to discuss certain benefit options in more detail in order to help members make informed choices. We also continue to integrate counseling into our online presence, our secure members-only website, *iAccess Web*.

In addition to our focus on personal service, our emphasis on quality can take us in many directions.

Last year, we began tracking daily performance indicators. These indicators monitor how service is being delivered and enable us to identify real time improvements. We're already seeing results. For example, the percentage of member requests being completed in the same day improved from 51 percent in 2008, to 63 percent in 2009.

Pension service buybacks offer another illustration. Buying back an absence in education typically ranks last in our member satisfaction surveys because it is complex and time-consuming. We have worked with the plan sponsors to make significant changes that will streamline and simplify buybacks.

These changes will create real benefits for members by saving them time and providing additional payment options, making it easier for them to budget their absence. All of these buyback improvements will eventually lead to a new and enhanced online experience.

A quality focus with employers is also important. Every day we work with 193 school boards and designated employers. Each has varying administrative systems. Six years ago, we began asking boards to certify the accuracy of contributions and personal information they send us.

For them, this is simply one payroll deduction. For us, it is so much more. Maintaining a certification process ensures that we have correct information about our members. This is essential for making sure they are credited with the full benefits to which they are entitled.

What I have shared with you today underscores the attention we pay to delivering quality service. By investing in our people and technology, we achieve efficiencies and continue to deliver new and innovative services to members.

Our cost-per-member is a calculation we use to monitor this investment. Over the past decade, it has ranged from \$118 to \$139. In 2009 it was \$130.

This investment continues to yield results. We are pleased to report that our members gave us one of our highest ratings ever last year, at 9.1 out of 10.

So where do we go from here?

Our agenda this year will be dominated by pending legislation.

One such change will affect members going through a marriage break-up. By shifting the responsibility for valuing pension assets onto pension plans, this legislation will have

significant implications for us. But it will also enable us to better serve those members who are in the midst of a divorce.

Additionally, changes to the Pension Benefits Act, as a result of recommendations by the Arthurs commission, will impact our work this year. These are captured in Bill 236, which will increase communication requirements, such as providing annual statements to retired members. It will also affect certain benefit provisions like immediate vesting of benefits and increases to the small pension payout threshold.

As you can see, we have a full year ahead of us as we continue to find new and better ways to provide quality service. By listening attentively to the membership, employers, and the sponsors, ... by digging deep into the complexities of the plan itself ... we can always find something that can be done better.

Just before I turn the podium back to our Chair, let me remind everyone that we have a team of Pension Benefit Specialists in the foyer, who are ready and willing to help you with any questions you might have about your pensions.

Thank you.

Eileen?