

October 16, 2026

Hon. Robert J. Flack
Minister of Municipal Affairs and Housing
Office of the Minister
Ministry of Municipal Affairs and Housing
777 Bay Street, 17th Floor, Toronto ON M7A 2J3



Sent via E-Mail: minister.mah@ontario.ca; and posted as comment to Ontario Regulatory Register

Re: Proposed Regulatory Changes, Following Poirier Review of OMERS Governance

Minister Flack:

I write on behalf of the 7,000 members of COTAPSA, an association of OMERS members that is proud to have received official “observer” status at the OMERS Sponsors Council. For both our members, and for the tens of thousands of other “management/non-union” members of OMERS (as we are designated in OMERS annual update on member affiliation), this is a huge step forward.

We congratulate and thank you for introducing this reform, which will benefit all OMERS members by helping to bring greater transparency to the plan’s decision-making.

The purpose of this letter is to raise with you a series of points regarding the proposed regulatory changes flowing from Robert Poirier’s review of OMERS governance, as published by the Province of Ontario on the Regulatory Registry. COTAPSA finds the contemplated changes to be deeply concerning. We feel these points should be of concern to the government as well.

Simply put, what began through the Poirier Review as a genuine, well-intentioned effort to bring a serious, extensive and necessary set of changes to various malfunctioning aspects of OMERS governance has now become an exercise in **actually reinforcing those same sources of governance malfunction.**

And instead of delivering much-needed changes, the review appears to be culminating in an effort to pacify the political objections to change asserted by elements of the existing constellation of “sponsors.”

To illustrate this in more detail, below we offer a candid COTAPSA perspective on the following four OMERS-related items that have been posted to the Regulatory Registry:

1) [Appointments Framework for the OMERS Administration Corporation Board](#)

We note the following proposal from the Province, as excerpted from the above link, regarding the appointment of OMERS AC board members:

- Each organization ("sponsor") to be set out in the by-law is entitled to appoint one board member.*
- Before appointments take effect, sponsors must provide written notice to the Administration Corporation and Sponsors Council of appointments.*
- Appointments are subject to a review process involving both the Administration Corporation and the Sponsors Council.*

Minister, it is deeply disappointing to see the Province backing away from what had been a key reform proposed in Robert Poirier's report. This was Recommendation #27 – "The Sponsors will have the right to directly appoint members to the Administration Corporation board," subject to a formal AC veto mechanism by a two-thirds vote for unsuitable selections.¹

We know that this recommendation from Mr. Poirier was greeted with mixed reviews from current OMERS sponsors, per the OMERS Administration Corporation's June 2026 report² to the Province:

*"A number of Sponsors emphasized that appointment authority is one of the core Sponsors Council powers preserved under the JSPP model and others supported a direct individual Sponsor appointment approach that maintains meaningful Sponsor control. Those Sponsors expressed concern that any framework permitting the AC Board to effectively control, screen or veto Sponsor appointments, particularly beyond narrow governance safeguards, could erode the Sponsor role over appointments."*³ (Emphasis added)

We can further surmise that both the main OMERS employer stakeholder and its labour counterpart have found various ways to privately critique this idea, including perhaps in direct communications to your office. This would certainly be in keeping with their publicly-available related broad statements that can be found online.⁴ It's perfectly within their rights to express their views, of course, just as we are doing.

Minister, as we have said before and will continue to say: If any of OMERS current sponsors are unwilling to accept formal responsibility for something as basic as directly appointing AC board members, they should step back and allow the actual funding constituencies—the participating employers, employee locals, and unrepresented groups—to determine who should represent them.

The appropriate response to sponsors with an allergic reaction to direct appointment of directors is not continued participation without accountability. Rather, they should be asked to formally withdraw from the sponsor role. In that case, responsibility for sponsorship should be transparently devolved to, or restructured among, those employers or locals whose members and employees are directly enrolled in OMERS, including but not limited to Locals 416 and 79 and the City of Toronto.⁵

¹ https://cotapsa.ca/wp-content/uploads/2026/07/COTAPSA-Letter-to-Hon.-Robert-J.-Flack-re-OMERS-SC-Initial-By-Law-and-Forthcoming-Regulations-July-14-2026_final.pdf

² Minister, we cannot help but repeat our previous warning about this AC report:

"The document reads like the minutes of an extended, private negotiation among incumbent sponsors and their nominees on the AC Board. To label it as independent, public-interest-driven policy advice to your Government would be a grave mistake, and an injury to the public interest in improving OMERS governance."

³ <https://cotapsa.ca/wp-content/uploads/2026/07/Report-from-AC-Board-to-Ministry-of-Municipal-Affairs-and-Housing-on-OMERS-Governance.pdf>

⁴ <https://cupe.on.ca/wepaywewantasay/>; <https://www.mepco.ca/learning/blog/proposed-regulations-impacting-omers>; <https://www.amo.on.ca/sites/default/files/assets/CONFERENCE/2026/2026%20Backgrounder%20-%20OMERS%20Governance.pdf>; <https://www.amo.on.ca/sites/default/files/assets/DOCUMENTS/OMERS/OMERSBill68MunicipalToolkit19122025.pdf>

⁵ COTAPSA has publicly explained how this devolution could work, as you may recall:

See: <https://cotapsa.ca/wp-content/uploads/2025/05/COTAPSA-Letter-to-Mr.-Robert-Poirier-re-OMERS-Board-Composition-May-23-2025.pdf> and <https://cotapsa.ca/wp-content/uploads/2025/06/COTAPSA-Letter-to-Mr.-Robert-Poirier-re-OMERS-Governance-Review-Follow-up-June-20-2025.pdf>

Joint sponsorship does not require the permanent entrenchment of any single provincial advocacy organization, whether on the labour or employer sides of the house. It requires sponsors who are prepared to accept both the authority and the responsibility that the role entails. And as we have noted before:

“If an organization wants to act as an OMERS sponsor, it must accept the legal, financial, and structural burdens of that sponsorship—not just its policy influence, or the perceived public prestige.”⁶

2) Initial Composition of the OMERS Sponsors Council

We note this excerpt from the above posting:

The government is seeking feedback on a regulation to prescribe the composition of the initial Sponsors Council, which is proposed as follows:

- Members with Voting Rights***
- Association of Municipalities of Ontario (2 persons)***
- City of Toronto***
- Council of Ontario Directors of Education (CODE)***
- Police Governance Ontario (PGO)***
- Ontario Association of Children's Aid Societies***
- Electricity Distributors Association***
- Canadian Union of Public Employees (Ontario)***
- Canadian Union of Public Employees (Ontario), Local 416 (rotating seat)***
- Ontario Public Service Employees Union***
- Police Association of Ontario***
- Ontario Professional Fire Fighters Association***
- Ontario Secondary School Teachers' Federation***
- The Police Pensioners Association of Ontario, the Municipal Retirees Organization of Ontario and the Ontario Retired Fire Fighters Association (rotating seat)***

If this composition of the Sponsors Council membership is approved as-is, then the Province is leaving in place much of the invisible, “organizational cultural infrastructure” (if we can call it that) which contributed to the complaints about secrecy at OMERS that sparked the demands for what became the Poirier Review.⁷

The above basic constellation of OMERS stakeholders dates back to 2007 and emerged out of the backroom, out-of-sight political bargaining that shaped the old OMERS Sponsors Corporation’s composition bylaws. As we have expressed before, the elevation of this particular set of stakeholders did not emerge from some “permanent or explicit statutory appointment by the Province.”

And furthermore: “Participation in the OMERS sponsor role was, and remains, a matter of choice for [these groups] rather than a legal obligation.”⁸

Minister, we will not belabour the point again – but as we have noted publicly before, in a past letter, there are alternative approaches available to the Province here.

⁶ https://cotapsa.ca/wp-content/uploads/2026/07/COTAPSA-Letter-to-Hon.-Robert-J.-Flack-re-OMERS-SC-Initial-By-Law-and-Forthcoming-Regulations-July-14-2026_final.pdf

⁷ <https://www.theglobeandmail.com/business/article-omers-governance-review-ontario-government-sponsors-corporation/>

⁸ <https://cotapsa.ca/wp-content/uploads/2026/01/COTAPSA-Letter-to-Fred-Hahn-re-CUPE-Ontario-Submission-to-OMERS-Reviewer-January-26-2026.pdf>

To reference one such approach that we previously shared:

“...[W]e favour an arrangement reflecting our demand that the idea of ‘those who pay [for OMERS, whether employer or member] must have a say’ be applied on a consistent basis at OMERS. Right now, this is only partly true. For example, CUPE Local 416 and CUPE Local 79 on the member side, and the City of Toronto on the employer side, each represent actual contributors to OMERS. However, several other organizations with board representation do not have this direct connection to OMERS -- AMO, CUPE Ontario, PAO, OPFFA, OASBO, the various retiree associations, etc.”⁹

3) Minimum Requirements for the Initial By-Laws of the OMERS Sponsors Council

We have already reiterated above our concern for how the proposed regulatory changes will entrench, rather than uproot, key aspects of OMERS less-than-ideal governance culture.

The Province’s apparent openness to retaining weighted voting for CUPE Ontario and AMO will reinforce that negative culture, not weaken it.

Again, there are alternative ways to reorganize the board that will promote true representation of sponsors that, unlike AMO and CUPE Ontario (really advocacy groups in truth), directly make financial contributions to the plan and have a direct and very real stake in OMERS long-term performance:

“Another option...would be to simplify the member representation...by no longer basing representation on a labour affiliation basis, but rather on the basis of active member class. For example, OMERS has two classes of active member – those with a normal retirement age of 65 and those with a normal retirement age of 60. This could be paralleled on the employer side by allocating seats for large municipalities (with more than 4500 OMERS contributors) and small municipalities, to allow for a diversity of voices. This diversity could alternatively be accommodated through advisory committees.”¹⁰

The same goes for the vague direction shared by the Province around how the AC bylaws should address “insurance” and “indemnification” matters.

When we first learned of this insurance/indemnification issue, we circulated¹¹ the questions below – which, crucially, remain unanswered and unaddressed:

- *Why should appointing sponsor organizations not bear these insurance costs as an operational expense of their own representation?*
- *What specific decisions expose these members to personal liability, and does this relate to statutory decision-making or collective bargaining among factions?*
- *Why are employers and the more than 91,000 management and non-union contributors who lack any board representation expected to finance this personal shield before they have been given any plain-language justification?*

We also shared this warning, which we want to reiterate here:

⁹ <https://cotapsa.ca/wp-content/uploads/2025/05/COTAPSA-Letter-to-Mr.-Robert-Poirier-re-OMERS-Board-Composition-May-23-2025.pdf>

¹⁰ <https://cotapsa.ca/wp-content/uploads/2025/05/COTAPSA-Letter-to-Mr.-Robert-Poirier-re-OMERS-Board-Composition-May-23-2025.pdf>

¹¹ https://cotapsa.ca/wp-content/uploads/2026/07/COTAPSA-Letter-to-Hon.-Robert-J.-Flack-re-OMERS-SC-Initial-By-Law-and-Forthcoming-Regulations-July-14-2026_final.pdf

“Nothing would erode trust in OMERS more quickly than asking active members to pay a dedicated, rushed levy for protections that have never been explained to them, while exempting from necessary scrutiny the backroom machinations of voting factions who help impose those very costs.”¹²

We would do the same in response to the very vague, ambiguous guidance in this entry on the regulatory register regarding “compensation” of board members:

*“The Province should simply prescribe reasonable public-sector per diem rates through regulation and end the matter. Indexing honoraria to private-sector standards sends **entirely the wrong message** to plan beneficiaries and the employers who fund the Plan.”¹³*

4) **Repeal the Regulation addressing CUPE Local 416's Seat on the Ontario Municipal Employees Retirement System (OMERS) Sponsors Corporation Board During Transition to a Sponsors Council**

Our comment here will simply be that this contemplated change provides one more reminder of a key inconsistency in OMERS governance model. This inconsistency is simultaneously symbolic of both the manifest incoherence of that governance model, and a reminder of how political expediency continues to be a prime driver of decision-making related to OMERS.

CUPE Local 416 and CUPE Local 79 on the member side, and the City of Toronto on the employer side, each represent actual contributors to OMERS. On the other hand, AMO, CUPE Ontario, PAO, OPFFA, the Council of Ontario Directors of Education, the various retiree associations, etc. do not make direct contributions.

Sponsors who actually contribute to OMERS have a concrete stake in the significant risks and benefits associated with the operations of the pension.

We believe that a vital advantage that would flow from a OMERS governance structure where all sponsor groups shared this same concrete connection to the plan’s performance is that there would be a **similarly shared desire for more openness and more transparency** regarding the plan’s performance, prospects and related long-term risks.

One general trend that we believe is discernable from the OMERS governance experience since 2006, especially where the failed OMERS Sponsors Corporation is concerned, is that it is generally the “sponsors” (again, really advocacy groups) who are the farthest from actually contributing even a single dollar to the plan are similarly **the most implacably opposed to measures that would increase OMERS basic transparency, openness and information-sharing,**

A governance culture that fosters a shared belief in the need for openness and transparency would facilitate more open dialogue **among true sponsors** about the long-term, complex balance between member/employer contributions (and the taxpayer interest), and the plan’s strategy, performance and expected benefit levels.

The current and, if the regulatory changes as so far expressed proceed, future OMERS governance structure will dilute, rather than nurture, that shared belief among sponsors and stakeholders.

¹² https://cotapsa.ca/wp-content/uploads/2026/07/COTAPSA-Letter-to-Hon.-Robert-J.-Flack-re-OMERS-SC-Initial-By-Law-and-Forthcoming-Regulations-July-14-2026_final.pdf

¹³ https://cotapsa.ca/wp-content/uploads/2026/07/COTAPSA-Letter-to-Hon.-Robert-J.-Flack-re-OMERS-SC-Initial-By-Law-and-Forthcoming-Regulations-July-14-2026_final.pdf

Minister, we at COTAPSA have celebrated Bill 68's shuttering of the failed OMERS Sponsors Corporation and its replacement with a Sponsors Council.

Yet the central question raised throughout this OMERS review process remains unanswered: what necessary purpose is served by having a sponsors body exercise plan-level authority on behalf of members and employers who have never formally delegated that authority to it? No articulated rationale has been offered.

We ask that the government place one on the record.

The new Sponsors Council compounds rather than resolves this. Adding five non-voting members to a fourteen-member body gives the appearance of broader representation while preserving the weighted voting power of the incumbent organizations. Groups such as management and non-union members, on whose behalf representation was explicitly sought, are given an observer role, but no vote – and no direct say.

This is a false fairness.

We ask the government to address three matters:

First, delegation and the meaning of sponsorship. Under Ontario pension law, a sponsor of a jointly sponsored plan is a party that contributes to the plan and shares responsibility for its funding, including its deficits. OMERS governance has drifted steadily from that principle through a series of political accommodations made at the province's direction. Voting seats have gone to provincial-level advocacy organizations: AMO, CUPE Ontario, OSSTF, OPSEU, the Police Association of Ontario, and the Ontario Professional Fire Fighters Association. Each of these organizations is technically an OMERS employer, with staff who are OMERS members, but in very small numbers.

That nominal participation does not give any of them a mandate to act as sponsors on behalf of the hundreds of thousands of members and more than 1,000 employers who have never formally delegated that authority to them. Voting rights were also extended to retirees, who no longer contribute and do not share responsibility for funding deficits, following lobbying of the province.

In our view, these changes dilute any reasonable notion of the true role of a "sponsor." The employers and employees who pay the overwhelming bulk of contributions have, with the exception of the City of Toronto and CUPE Locals 416 and 79, been given no direct say (as noted above).

As we have written on previous occasions, participation should rest on an affirmative act of delegation: a resolution of each municipal council, and an equivalent authorization from each union local, confirming on the record that it consents to be represented by a given organization on OMERS governance. The foundational participation documents should be revisited to require this. Either these organizations obtain the mandate they have long presumed, or the absence of one is made plain.

Second, accountability and shared risk. OMERS is a jointly-sponsored pension plan: sponsors share its assets and its liabilities. Those who sit in governance must not be fair-weather sponsors, present to exercise influence in good times, and to use their roles as OMERS directors to burnish their CVs, but positioned to disclaim responsibility when liabilities build – or when the plan loses money on questionable investments that a more alert board structure would have questioned, such as the financially-disastrous OMERS adventure known as Thames Water.¹⁴

¹⁴ <https://www.theglobeandmail.com/business/article-canadian-investors-concerned-thames-water-britain-nationalization/>

Formal delegation must carry with it an explicit acceptance of the shared liability that JSPP governance entails, so that every participant has demonstrably bought in to the decisions made in their name.

Third, the province's own role. Non-teaching staff in Ontario's public and separate school boards are OMERS members. Those boards are provincially governed, not municipally-governed, and are funded through the Ministry of Education. The province therefore carries an indirect liability for a significant class of OMERS employers, even as it positions itself as a disinterested referee. That contradiction should be acknowledged, not left unspoken.

Having chosen to intervene, the government holds the hammer, and with it the solemn responsibility to help OMERS resolve the deficiencies in its governance practices that Robert Poirier captured in his detailed review.

Our view is that the operating environment faced by OMERS and other large public DB pensions, both domestically and internationally, is only getting more complex by the day.

The long-term assumptions about plan performance smoothly and confidently asserted by pension management – often with an eye on their annual compensation and bonuses – need a far closer level of scrutiny, including at the board table and from the relevant provincial regulator (a separate discussion in itself).

It is only through open dialogue among true sponsors at the board table regarding the issues flagged here that OMERS can maintain a long-term sense of trust in its sustainability among its members, employers, stakeholders and Ontario's broader population.

Minister Flack, this goal – and not achieving some fleeting, short-term political expediency to pacify noisy advocacy groups – should be the Province of Ontario's overall objective regarding any substantive changes to the OMERS Act and to OMERS own bylaws and internal guidelines.

More than six hundred thousand OMERS members and retirees, and their families, are depending on you to get this right.

Respectfully submitted,



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Executive Director

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