

Sent via email to: Minister.fin@ontario.ca

March 18, 2024

The Honourable Peter Bethlenfalvy
Minister of Finance
Frost Building South, 7th Floor
7 Queen's Park Crescent
Toronto, Ontario
M7A 1Y7

Re: Safeguarding the OMERS Plan

Dear Minister Bethlenfalvy,

On behalf of the Board of Directors and more than 400 members of the Association of Municipalities of Ontario, I want to wish you well as you prepare to introduce the 2024 Ontario Budget. AMO was pleased to note your recent commitment that the 2024 Budget would not negatively impact municipalities. Thank you for that commitment.

Our members are, however, concerned about recent signals from the federal Minister of Finance, the Honourable Chrystia Freeland, and from you, suggesting that the Governments of Canada and Ontario may be considering limiting the investment opportunities of public pension plans, or viewing the pension savings of plan members as a federal or provincial resource to promote economic development.

The March 7, 2024 [OMERS statement](#) captures AMO's position on this important matter. While about 25 percent of the \$130 billion OMERS plan is invested in Canada, including major clean energy investments, these investments are and must be guided by OMERS' ultimate responsibility to safeguard and grow the retirements savings of current and retired municipal employees and other workers. As the OMERS statement makes clear, "Any attempt to mandate investments in certain prescribed asset classes or components of our economy would limit our flexibility and make it extremely difficult to continue to deliver on our pension promise to the more than 600,000 Canadians that we serve."

AMO is committed to working in partnership with your government to support economic development and sustainable growth, and to advance the social and economic prosperity of Ontario.

As you are aware, outdated provincial-municipal fiscal arrangements and systemic public policy problems such as homelessness and the lack of affordable housing, coupled with climate change impacts, are creating headwinds for economic development in our province. As you are also aware, Ontario is rich in natural, human, and financial resources, and we have unlimited potential for ingenuity, innovation, and prosperity.

The provincial-municipal partnership during the pandemic kept this province safe, strong, and resilient. A renewed partnership to deal with the systemic challenges facing our communities and our province can do the same. That is why AMO is encouraged by the potential of a provincial-municipal social and economic prosperity review and the possibilities it represents. Through collaboration, we can create new and better ways to deliver and finance the public services and infrastructure that our residents and businesses rely on. By working together, we can ensure that Ontario continues to be a destination for the people and investment needed to help underwrite Ontario's bold, bright, and productive future.

At our 2024 Conference in Ottawa this year, AMO will be celebrating its 125th anniversary and the many achievements of our members. We hope also to be celebrating a commitment from the province to work with us to advance social and economic prosperity and a legacy of Ontario's unlimited potential.

Sincerely,



Colin Best
President, Association of Municipalities of Ontario
Regional Councillor, Halton Region

cc: Hon. Chrystia Freeland, Deputy Prime Minister and Minister of Finance
Hon. Doug Ford, Premier of Ontario
Hon. Paul Calandra, Minister of Municipal Affairs and Housing
Hon. Victor Fedeli, Minister of Economic Development, Job Creation and Trade
Barry Brown, Chair, OMERS Sponsors Corporation
George Cooke, Chair, OMERS Administration Corporation