

IMPORTANT!

STRIKE DATES

The LCBO strike lasted for 17 days from July 5 to July 21, 2024, with members returning to work on Monday, July 22. The period eligible for purchase is from July 5 to July 20, 2024 (16 days). This is because your employer's bi-weekly payroll cycle from July 21 to August 3, 2024, already accounted for July 21 (Sunday) when deducting pension contributions for full-time employees.

PENSION ESTIMATE COMPARISON

Many LCBO employees will notice that buying the 16 strike days will not impact their projected retirement date or pension estimates. At retirement or when leaving the Plan, we calculate a member's years, months and days of pension service, rounding it to the nearest month based on the Plan's 15-day rounding rule. Here is how it works:

- If your pension service for a month is 15 days or more, it's rounded up to include the full month.
- If it's less than 15 days, your pension service is rounded down, excluding that partial month.

Example #1:

Leslie Smith, an LCBO employee, turns 65 on Aug. 30, 2026. Without purchasing the strike days, Leslie could retire on Aug. 30, 2026, with 7 years, 8 months and 16 days of pension service. The pension would start September 2026, calculated using 7 years and 9 months of service (rounded up).

If Leslie buys the 16 strike days, they could still retire on the same date, with 7 years, 9 months and 2 days of pension service, which rounds down to 7 years and 9 months. In this case, there is no benefit for Leslie to purchase the strike.

However, it may still be worthwhile to purchase the strike period if a member leaves the Plan on a different date than the projected retirement date. Let's consider another scenario where this could be beneficial.

Example #2:

Leslie Smith chooses to leave the Plan on July 15, 2026. Without purchasing the strike period, Leslie would have 7 years, 8 months, and 1 day of pension service, which rounds down to 7 years and 8 months. However, if Leslie purchases the 16 strike days, their service would increase to 7 years, 8 months, and 17 days, which rounds up to 7 years and 9 months. In this case, purchasing the strike days provides an additional month of pension service which would result in a slightly higher pension amount.

KEY TAKEAWAY

Purchasing the strike period now can be beneficial, even if the immediate advantage isn't clear. Since you may not know when you will leave the Plan, buying the strike period may result in rounding up to an additional month of pension service. This is also the most cost-effective time to make the purchase, as it will be more expensive later.