



Communiqué

Volume 26, No. 2 December 13, 2021

OTPP Will Provide Access to an Additional Benefit for Members Working Part-Time Due to Disability or Childcare Responsibilities

The Ontario Teachers' Federation (OTF) and the Government of Ontario, as co-sponsors of the Ontario Teachers' Pension Plan (OTPP), have agreed to amend the terms of the OTPP to provide members working part-time due to disability or childcare responsibilities with access to an additional benefit. This additional benefit, subject to the *Canadian Income Tax Act* (ITA), will allow members to purchase credited pension service for periods of reduced work due to disability or childcare responsibilities. The amendment provides that member contributions for purchases of these periods of reduced work will be matched by employers.

Members who meet the definition of "disabled" according to Regulation 8500 (1) under the ITA may purchase credited service for a period of reduced work due to disability subject to certain requirements, including:

- due to the disability, the member is unable to perform the duties of employment in which the member was engaged immediately prior to becoming disabled,
- the member is working part-time for the employer during the period under an accommodation plan approved by the employer, and
- the member must provide to OTPP a report regarding their medical condition, signed by a licensed Ontario doctor or nurse practitioner, and a report signed by the employer detailing the accommodation plan and part-time leave.

Subject to the ITA, a member may purchase credited service for a temporary period of reduced work due to childcare responsibilities subject to certain requirements, including:

- the member's hours of work for the employer are reduced during the period, and
- it is the opinion of the pension plan administrator that the employer has approved the reduction for reasons related to the childcare responsibilities of the member.

Members will be eligible to purchase periods of reduced work due to disability or childcare responsibilities that end on or after September 1, 2017.

No immediate action is required at this time as the new provisions do not take effect until September 1, 2022. Beginning in early 2022, OTPP will provide additional information about this amendment and details of how to apply to purchase these periods of reduced work.

"This amendment is a positive step forward in providing benefits to Plan members who have been impacted by certain life events that have required them to work part-time. Having the ability to purchase pension credit for the impacted employment period means members can maintain the pension benefits that they would otherwise have earned." said OTF President Chris Cowley.