

Select Info *to* Know



Cost of Living Adjustment for Your Pension

Starting January 2025, your OPTrust Select pension will **increase by 2.7 per cent**. The annual cost of living adjustment (COLA) is applied to all pensions and survivor pensions in pay. COLAs help to protect your pension against the impact of inflation and ensure it does not lose value over time.

This adjustment represents an increase equal to 100 per cent of the increase in the Consumer Price Index (CPI) reported by Statistics Canada.

COLAs are granted at the discretion of the Board of Trustees, based on the funded status of the Plan and other factors. These increases for inflation are not guaranteed and may range from 0 to 100 per cent of the increase in the CPI.

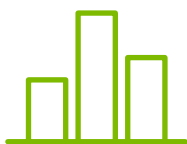
If you retired in 2024, your COLA is pro-rated for the length of time you received a pension. More detail on this appears below.



How your annual adjustment is calculated

COLAs are calculated based on the change in the average monthly CPI between October and September for the previous two years. For example, the **2025 increase** was calculated as follows:

$$\frac{\text{October 2023 to September 2024} \quad \textit{minus} \quad \text{October 2022 to September 2023}}{\text{October 2022 to September 2023}} = \frac{160.1 - 155.9}{155.9} = 2.7\%$$



Consumer Price Index

The Consumer Price Index (CPI) is a measure produced by Statistics Canada that reflects the cost of a weighted basket of goods and services that are typically purchased by Canadian consumers every month. The CPI is widely used as an indicator of the change in the general level of consumer prices and the rate of inflation.

For more information on the Consumer Price Index, visit the Statistics Canada website at [statcan.gc.ca](https://www.statcan.gc.ca).



Increase pro-rated for new retirees

If you retired in 2024, your COLA is pro-rated for the length of time you received a pension. For example, if you retired in June 2024, your pro-rated COLA is calculated using the number of months you received a pension, divided by 12, times the 2025 increase.

$$6 \div 12 \times 2.7\% = 1.35\%$$

In January 2025, your pension would increase by 1.35 per cent to reflect the cost of living for six months. In the following years, any COLA granted will not be pro-rated.



For more information

This information is a summary of certain benefits offered by OPTrust Select and is not applicable to the primary schedule of the OPSEU Pension Plan. All information is current as of the date of publication.

How to reach us

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