

Select Info *to* Know

Temporary Part-time Work Arrangements



Effective February 1, 2022, OPTrust Select members will earn full pension service if they enter into an arrangement with their employer to temporarily reduce their regular working hours. OPTrust Select members will also be able to buy back periods when they worked on a temporary part-time work arrangement prior to February 1, 2022.

This will support OPTrust Select members who participate in flexible working arrangements, such as job-sharing, so they can maximize their pension.



What is a temporary part-time work arrangement?

A temporary part-time work arrangement is a period of reduced work hours that meets all of the following criteria:

- You have switched from full-time hours to part-time hours or from your regular hours to reduced hours.
- The part-time work arrangement is temporary, not permanent, and has a start date and anticipated end date.
- You and your employer have agreed to the terms of the temporary part-time work arrangement, including its duration.
- The conditions in the federal *Income Tax Act* are met. These include:
 - The 36-month minimum employment rule - you may only accrue full-time pension service for a period of reduced work hours if you have been employed with your employer for at least 36 months before the start of the arrangement. Please note that due to the COVID-19 pandemic, the federal government waived this requirement for arrangements that began in 2020 or 2021.
 - The five-year cumulative limit - the amount of pension service you can accrue during an unpaid leave and/or a period of reduced work hours with your employer is limited to a maximum of five years with an additional three years for pregnancy/parental leaves.

Temporary layoffs, workplace suspensions, periods of disability and permanent changes in work hours do not qualify as temporary part-time work arrangements.

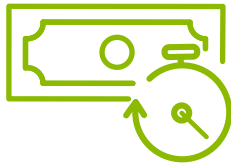


Contributing during a temporary part-time work arrangement

If you enter into a temporary part-time work arrangement on or after February 1, 2022, you and your employer must complete the *Temporary part-time work arrangement contribution/buyback application* (OPTrust S1030) form.

If you elect to continue making pension contributions based on your regular work hours, your employer will match your contributions and you will earn full pension service during the arrangement.

Please note that if you and your employer do not complete the OPTrust S1030 form and submit it to OPTrust, you and your employer will be required to make pension contributions based on your regular work hours. You must make an election in writing if you wish to make contributions on your reduced hours only.



Buying back pension service after a temporary part-time work arrangement

If you elect to contribute only on the reduced hours you work, you will not earn full pension service during the arrangement, but you can apply to buy back the pension service for the hours you did not work after the arrangement ends.

You can also apply to buy back pension service for the hours when you did not work during a temporary part-time work arrangement that started before February 1, 2022, even if the arrangement ended before your employer joined OPTrust Select.

If you apply for a buyback after the temporary part-time work arrangement ends, you are responsible for paying the full cost, and your employer does not contribute. The cost will be the higher of two times contributions or the actuarial value.

If you would like to request a buyback quote from OPTrust after your temporary part-time work arrangement ends, you and your employer must complete the OPTrust S1030 form and submit it to OPTrust.

Payment options for your buyback may include payroll deductions through your employer, online banking payments, a lump sum transfer from an RRSP or LIRA or any combination of these. If the cost is greater than \$500, you can arrange to finance your buyback with OPTrust for a period of up to 10 years, and interest charges will apply.



How to apply

1. Visit our website to obtain a copy of the *Temporary part-time work arrangement contribution/buyback application* (OPTrust S1030) form.
2. Fill out the member section in part 1 of the form and then submit to your employer to complete part 2.
3. Ask your employer to submit the completed form to OPTrust. OPTrust will contact you with further details and payment options.



For more information please contact OPTrust

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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