**Cost of Living Adjustment for Your Pension**

Starting January 2022, your pension will increase by 2.4%. The annual cost of living adjustment (COLA) is applied to all pensioners, survivor pensions and to the deferred pensions of former and divested members.

Every January, pensions are adjusted for the increase in the cost of living, as measured by the Consumer Price Index (CPI), reported by Statistics Canada. This helps to protect your pension against the impact of inflation and to ensure it does not lose value over time.

**How Your Annual Adjustment is Calculated**

OPTrust’s annual COLA is calculated based on the change in the average monthly CPI between October and September for the previous two years. For example, the 2022 increase was calculated as follows:

\[
\text{October 2020 to September 2021} \quad \text{minus} \quad \text{October 2019 to September 2020} = \frac{140.0 - 136.7}{136.7} = 2.4\%
\]

The maximum increase in any single year is 8%. Any increase above this level is carried forward, and applied in the next year when the adjustment is less than 8%.

**Consumer Price Index**

The Consumer Price Index (CPI) is a measure produced by Statistics Canada that reflects the cost of a weighted basket of about 600 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://statcan.gc.ca)
Increase Pro-rated for New Pensioners
If you retired in 2021, your COLA is pro-rated for the length of time you received a pension. For example, if you retired in June 2021, your pro-rated COLA is calculated by the number of months you received a pension, divided by 12, times the 2022 increase.

In January 2022, your pension will increase by 1.2% to reflect the cost of living for six months. In following years the full COLA will be applied to your pension and will not be pro-rated.

For More Information Please Contact OPTrust
This information is a summary of certain benefits offered under the primary schedule of the OPSEU Pension Plan and is not applicable to OPTrust Select. All information is current as of the date of publication.

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