

# Public Service Pension Plan (PSPP) MEMBERSHIP, SALARY, SERVICE

This document applies to Support Staff appointed to a position subject to the collective agreement with the Non-Academic Staff Association.

### **MEMBERSHIP**

# Participation Requirements

#### **MANDATORY**

Employees who meet the following criteria must be enrolled in PSPP:

- Permanent (regular) employees appointed to a continuing position of 30 or more hours per week.
- Temporary employees appointed as auxiliary salaried, where the terms of the contract specify that the employment is to last for a period greater than one year and the regularly scheduled hours are not less than 30 hours per week.

#### **VOLUNTARY**

Employees who meet the following criteria have the option to enroll in PSPP:

- A part-time (regular) employee appointed to a position with regularly scheduled hours between 14 and 30 per week will have a one time irrevocable option to join the pension plan upon appointment.
   If they decline to participate in the pension plan, they will not be eligible to join the plan at a later date unless they move to a mandatory participation position.
- A part-time auxiliary salaried employee where the terms of the contract specify that the
  employment is to last for a period greater than one year and the regularly scheduled hours are
  between 14 and 30 per week, will have a one time irrevocable option to join the pension plan upon
  appointment. If they decline to participate in the pension plan, they will not be eligible to join the
  plan at a later date unless they move to a mandatory participation position.

**Please note**: in order for part-time employment to be eligible under the plan, the terms and conditions of each separate employment arrangement must meet the criteria of at least 14 hours per week and less than 30 hours per week and employment for a term greater than one year. For example, an appointment of 12 hours per week for 13 months cannot be joined with another position for the purposes of participating in PSPP.

Newly hired part-time employees will be provided with PSPP documentation for consideration.

#### **EXCLUDED**

Employees who meet the following criteria do not participate in PSPP:

- Any married female who elected not to participate prior to July 1, 1976.
- Temporary employees appointed as auxiliary hourly or auxiliary salaried, where the terms of the contract period specify that employment is one year or less, or regularly scheduled hours are less than 14 per week.
- Employees in receipt of a retirement benefit from PSPP, Management Employees Pension Plan, or the Public Service Management (Closed Membership) Pension Plan.
- Employees who are appointed to an eligible position on or after the date they attain age 71.

**Please note**: if there is a re-appointment of an auxiliary hourly or auxiliary salaried employee, an evaluation will be done to assess if the appointment is ongoing and to ensure that the reason for the subsequent appointment was not to circumvent the pension participation policy.

## When Participation Starts

Employees in a mandatory participation position will join PSPP on the date of their appointment.

Employees who have a voluntary option of participating in PSPP will have 90 days from the date of their appointment to inform the employer, in writing, of their intent to join the pension plan. Pension participation and contributions will begin on the first of the month following notification to the employer.

## **Appointment Changes**

A change to the terms of your employment may impact your participation in PSPP.

- When an employee changes from a mandatory participation position to a part-time position that is not less than 14 hours per week, pension deductions continue.
- If a participating employee moves to an auxiliary salaried position without a break in service, pension deductions will continue.
- If a participating employee moves to an ineligible position, pension deductions will stop.

#### PENSIONABLE SALARY

## Definition

Salary or earnings are defined as pensionable if they represent a regular and recurring component of an employee's long-term compensation and are paid in relation to the performance of the regular duties of employment. Short-term or ad-hoc payments that do not occur on an ongoing basis and that do not form a long-term component of an employer's compensation program are not pensionable.

Employees and employers make pension contributions on earnings employees receive on a regular and consistent basis. Not including inconsistent or short-term payments prevents members from paying extra contributions on earnings that will not impact the defined benefit they receive on retirement and prevents artificial increases to Average Annualized Earnings.

The decision to determine which earnings are deemed pensionable is the responsibility of each employer participating in PSPP.

# Pensionable Salary Types

Please note: this list is not exhaustive.

- Gross basic annual salary for the performance of regular duties of employment
- Shift differential (premium) for nights or weekends
- Language pay premiums
- Retroactive salary adjustments

## Pensionable Salary During a Leave

When an employee is:

- receiving benefits from an approved long-term disability income plan;
- receiving temporary Workers' Compensation disability payments;
- on leave without salary; or
- on leave with partial salary

The salary being earned immediately before the employee commenced to receive these benefits or go on the leave is used to calculate contributions, subject to any adjustments applicable to salary for the bargaining unit the employee is in.

# Non-Pensionable Salary Types

Please note: this list is not exhaustive.

- Overtime
- Standby pay
- Responsibility pay
- Stat Holiday pay
- Vacation leave payout
- Expense allowance payments (e.g. meal allowances)
- Non-cash benefits

#### PENSIONABLE SERVICE

Pensionable service is calculated on a daily basis by determining the number of days worked compared to the total possible number of working days in a pension reporting year. The total possible working days are based on the regularly scheduled weekly hours by employee classification as defined by the collective agreement with the Non-Academic Staff Association, and are either:

- 35 hours:
- 37.5 hours: or
- 40 hours.

Part-time equivalents are calculated as a percentage (%) of the full-time equivalent as outlined above. The maximum pensionable service that can be earned in a pension year is one year.

## PENSIONABLE SALARY AND SERVICE REPORTING

The university reports pensionable earnings and service to PSPP on an annual basis. The amounts included in a reporting year are based on the December 16-31 pay period in one year through to the December 1-15 pay period of the following year.

If you have questions regarding this policy, please contact the Staff Service Centre.

Effective January 1, 2018 Last updated August 1, 2024