

How Contribution Rates Have Evolved

Members contribute a percentage of their salary to their future pensions. The Ontario government and other employers match total annual member contributions.

Contributions are lower on earnings up to the Canada Pension Plan (CPP) contributions and benefits limit (also called the Year's Maximum Pensionable Earnings or YMPE) and higher on any salary above the limit. The YMPE changes annually.

For more information on the current YMPE and contributions, visit the Members section of our website at www.otpp.com. The following chart shows contribution rates for different periods since 1917, when a pension plan was established for Ontario teachers.

Contribution Rates

PERIOD	EMPLOYEE RATE	EMPLOYER RATE
April 1, 1917 – Aug. 31, 1936	2.5%	2.5%
Sept. 1, 1936 – Aug. 31, 1940	3.0%	2.5%
Sept. 1, 1940 – Aug. 31, 1943	3.5%	2.5%
Sept. 1, 1943 – Aug. 31, 1945	3.5%	3.5%
Sept. 1, 1945 – Aug. 31, 1949	4.0%	4.0%
Sept. 1, 1949 – Dec. 31, 1955	6.0%	4.0%
Jan. 1, 1956 – Dec. 31, 1965	6.0%	6.0%
Jan. 1, 1966 – Aug. 31, 1975*	4.2%/6.0%	4.2%/6.0%
Sept. 1, 1975 – Aug. 31, 1984*	5.2%/7.0%	5.2%/7.0%
Sept. 1, 1984 – Aug. 31, 1989*	6.1%/7.9%	6.1%/7.9%
Jan. 1, 1990 – Dec. 31, 1991*	7.1%/8.9%	7.1%/8.9%
Jan. 1, 1992 – Dec. 31, 2006**	7.3%/8.9%	7.3%/8.9%
Jan. 1, 2007 – Dec. 31, 2007**	9.3%/10.9%	9.3%/10.9%

PERIOD	EMPLOYEE RATE	EMPLOYER RATE
Jan. 1, 2008 – Dec. 31, 2008**	9.6%/11.2% [^]	10.4%/12.0%
Jan. 1, 2009 – Dec. 31, 2011**	10.4%/12.0%	10.4%/12.0%
Jan. 1, 2012 – Dec. 31, 2012**	10.8%/12.4%	10.8%/12.4%
Jan. 1, 2013 – Dec. 31, 2013**	11.15%/12.75%	11.15%/12.75%
Jan. 1, 2014 – Dec. 31, 2017 **	11.5%/13.1%	11.5%/13.1%
Jan. 1, 2018 – Present**	10.4%/12.0%	10.4%/12.0%

* Three-tier contribution formula in effect: higher rate on salary up to the Year's Basic Exemption (YBE), lower rate on salary between the YBE and YMPE (Year's Maximum Pensionable Earnings), and higher rate on salary above the YMPE

** Two-tier contribution formula in effect: lower rate on salary up to the YMPE and higher rate on salary above the YMPE

[^] Member contribution rates in 2008 were partially subsidized by the OTF with a credit reserve from the 1998 to 2001 pension negotiations