



# Leaves and pension purchases

Employer Education Session

October 26, 2023





## Agenda:

1. Reporting Leaves
2. Reporting Leaves in PAL
3. Purchase Requests in My Pension and PAL
4. Periods of employment before enrolment purchases

# Reporting Leaves

## Reporting leaves

- Eligible leave types
- Roles and responsibilities
- Pension Adjustments (PA) vs Past Service Pension Adjustments (PSPA)



# Reporting leaves

## Eligible periods

- Statutory leaves including (shared cost):
  - Pregnancy / parental / adoption
- Unpaid leave of absence including (100% member paid):
  - Grievance
  - Temporary Layoff
  - Strike

# Reporting Leaves – Payroll Based Reporting

EST AUS Code to use	Leave type
PRG	Maternity/Paternal Leave – continued contributions
PRN	Maternity/Parental Leave – no contributions
LOA	Unpaid Leave of Absence
LAY	Temporary Lay Off

PBR Sample:

	A	B	C	D	E	AE	AF	AG
1	EMPNO	SIN	FNAME	LNAME	MNAME	JC	ESTATUS	ESTATUS_EDATE
2	444	999000999	Example	Leave	Maternity		PRG	11/1/2022
3	667	999001222	Example	Return	Maternity		ACT	11/15/2022
4								

DR PR Parameters (+)

# Reporting Leaves – payroll leaves (pregnancy/parental)

- Ongoing payroll deductions or collecting contributions from the member, with contributions remitted to the Plan during the leave, or
- Lump sum payment within six months of the end of the leave

# Reporting Leaves in Pension Administration Link (PAL)

# Reporting Leaves in PAL

Quick Search

Dashboard

Find a member

Message Centre

Document Centre

Member enrolment

Termination of employment

**Report a leave**

Purchase requests

Pension application

Pension estimate

Payroll

File summary

Reports

Contribution remittance

Employer Manual

## Report a leave

Begin reporting a member's leave

### Find a member

Social Insurance Number

Member ID

First name

Last name

### Search results

First name	Middle initial	Last name	Social Insurance Number	Date of birth	Member ID	Employment status

# Reporting Leaves in PAL continued

Termination of employment

Report a leave

Purchase requests 0

Pension application

Pension estimate

Payroll

File summary

Reports

Contribution remittance

Employer Manual

Report a leave start

Report a leave end

## Leave records – select to view or update

Process ID	Status	Type of transaction	Leave type ↑	Leave date
7772	Submitted	Leave Start	Unpaid Leave of Absence	01-Aug-2022

5 items per page

1 - 1 of 1 items

# Reporting Leaves in PAL continued

Report a leave

Purchase requests 0

Pension application

Pension estimate

Payroll

File summary

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Employer Manual

Help

Before the start of the leave, the member was earning a pension under: **DBplus**

Leave type

- Authorized Statutory Leave
- Unpaid Leave of Absence
- Grievance
- Temporary Lay Off
- Strike
- Parental Leave – Deductions
- Parental Leave – No payroll deductions
- Disability**
  - LTD/WCB Contributing
  - LTD/WCB Non-contributing
  - WSIB – Waiver Period

Leave start date

DD-MMM-YYYY

Employment status

Active

011 05 2022

# Reporting Leaves in PAL continued

## Earnings and contributions for DBplus

Active period start date (First work day of the first pay period worked in the year, before the leave)

Active period end date (Last work day before the leave started)

### Current year - 2023

Current year eligible earnings (Do not include taxable benefits)  Employer contributions  Expected value: 0.00

Member contributions (Does not include purchased leaves)  Expected value: 0.00

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## Employer authorization

Employer HR representative  Date

Assign to

# Reporting Leaves in PAL continued

The screenshot shows the PAL system interface. On the left is a navigation menu with the following items: Termination of employment, Report a leave (highlighted in green), Purchase requests (0), Pension application, Pension estimate, Payroll, File summary, Reports, Contribution remittance, and Employer Manual (with an external link icon). At the top right, there are two blue buttons: 'Report a leave start' and 'Report a leave end', with the latter being highlighted with a red border. The main content area is titled 'Leave records – select to view or update' and contains a table with the following data:

Process ID	Status	Type of transaction	Leave type ↑	Leave date
7772	Submitted	Leave Start	Unpaid Leave of Absence	01-Aug-2022

At the bottom of the table, there is a pagination control showing '1' in a red box, '5' items per page, and '1 - 1 of 1 items'.

# Reporting Leaves in PAL continued

**Report a leave end** ✕

Select an existing Leave start or continue without selection to report a leave end.

Leave type	Leave start date	Case number	Process ID	Sent to CAAT
Unpaid Leave of Absence	01-Aug-2022	CA0215088	7772	04-Nov-2022

« 1 »

**Continue without selection** **Cancel**

Process ID	Status	Type of transaction	Leave type	Leave date
7772	Submitted	Leave Start	Unpaid Leave of Absence	01-Aug-2022

# Reporting Leaves in PAL continued

Quick Search

## Report a leave

Begin reporting a member's leave

Find a member

Mes

Doc

Men

Term

Rep

Purc

Pen

Pay

Fill

Reports

Contribution remittance

0 5 items per page No items to display

### Report a leave end

Select an existing Leave start or continue without selection to report a leave end.

Leave type	Leave start date	Case number	Process ID	Sent to CAAT
------------	------------------	-------------	------------	--------------

« < > »

**Continue without selection** Cancel

# Reporting Leaves in PAL continued

Termination of employment

Report a leave

Purchase requests ①

Pension application

Pension estimate

Payroll

File summary

Reports

Contribution remittance

Before the start of the leave, the member was earning a pension under: **DBplus**

Leave start process ID

Leave end date (day prior to return to work)

DD-MMM-YYYY

Has member returned to work?

YES  NO

Leave type

- Authorized Statutory Leave
- Unpaid Leave of Absence
- Grievance
- Temporary Lay Off
- Strike
- Parental Leave – Deductions
- Parental Leave – No payroll deductions
- Disability**
  - LTD/WCB Contributing
  - LTD/WCB Non-contributing
  - WSIB – Waiver Period

## Employer authorization

# Reporting Leaves in PAL continued

Termination of employment

Report a leave

Purchase requests ①

Pension application

Pension estimate

Payroll

File summary

Reports

Contribution remittance

Employer Manual [↗](#)

Before the start of the leave, the member was earning a pension under: **DBplus**

Leave start process ID

Leave type **Unpaid Leave of Absence**

Leave end date (day prior to return to work)

Leave reported date **23-Oct-2023**

October 2023						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	1	2	3	4
5	6	7	8	9	10	11

zation

Date

# Reporting Leaves in PAL continued

Termination of employment

Report a leave

Purchase requests ①

Pension application

Pension estimate

Payroll

File summary

Reports

Contribution remittance

Employer Manual [↗](#)

Before the start of the leave, the member was earning a pension under: **DBplus**

Leave start process ID

Leave type **Unpaid Leave of Absence**

Leave end date (day prior to return to work) **23-Oct-2023**

Leave reported date **23-Oct-2023**

Has member returned to work?

YES  NO

Reason

- Termination
- Retirement
- New leave started
- Death

Save

Validate

Send to CAAT

Cancel

# Purchasing Leaves

# Purchasing Leaves – employer calculated

## Employer responsibilities:

- Communicate the option to purchase
- Calculate contribution cost and complete form
- **NEW** Communicate the option to remit cash payment through member's online banking
- Request pre-authorized T2033 for RRSP purchases
- Remit matching portion, if required

# Purchasing Leave – **NEW** Electronic Member Payment

- Member can remit payment through online banking: CAAT Pension Plan - Members
- Member submits the signed election form to the employer
- No regular contributions

## **Important note for DBplus:**

- Only statutory leaves may be purchased using cash if purchased within 6 months of return to work

# PA vs. PSPA

## **Pension Adjustment (PA)**

- Represents the value of benefits a member earned for the year
- Will reduce the member's RRSP contribution room the following year
- Required if purchase made from January 1 to December 31 for the same calendar year, or Purchase was made from January 1 to April 30 for the previous calendar year

## **Past Service Pension Adjustment (PSPA)**

- Required when a past service event occurs that increases benefits
- Sum of the additional benefits that would have been included in a member's PA if the benefits had been provided in the previous year
- Required if purchase is made between May 1 to December 31 for a period that is in a previous calendar year

# Purchases for Statutory Leave with cash

Document Centre

Member enrolment

Termination of employment

Report a leave

Purchase requests 0

Pension application

Pension estimate

Payroll

File summary

Reports

Contribution remittance

Employer Manual [↗](#)

Help

Select remittances you will be reporting

Payroll contributions  Purchases

Member ID	Purchase Type	Amount
<input type="text"/>	<input type="text"/>	<input type="text" value="###"/>

[New entry](#)

Comments

**Purchases total**

# Purchase Requests in My Pension and PAL

# Member Portal: Purchase your leave

- **Eligibility**
- Registered Member Portal user
- Member with Active Plan status
- Leave periods within 6 months after Leave End Date

# Employer Portal: Purchase Request Notifications

Pension solutions Members Support centre Employers About Us  Welcome 

- Administration Console
- Notification Preferences**
- Sign Out



## Notification preferences

	Message Centre	Activity Log
Notify me when a request is received from an employee		
Select all	<input type="checkbox"/>	<input type="checkbox"/>
Enrolment Request	<input type="checkbox"/>	<input type="checkbox"/>
<b>Purchase Request</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

[Update](#)

# Employer Portal: Purchase requests

Quick Search

Dashboard

Find a member

Message Centre

Document Centre

Member enrolment

Termination of employment

Report a leave

**Purchase requests**

Pension application

Pension estimate

Payroll

File summary

Reports

Contribution remittance

Employer Manual [↗](#)

Help

## Purchase requests

Select a new request or review quotes prepared for a member

### Enter search term

Purchase type

From

To

First name

Last name

### New purchase requests

Process ID	Purchase type	First name	Last name	Leave start	Leave end	Request date
No items to display						

5 Items per page

### Prepared purchase quotes

Process ID	Purchase type	First name	Last name	Leave start	Leave end	Request date
------------	---------------	------------	-----------	-------------	-----------	--------------

# Employer Portal: Purchase quote

**Purchase quote request -** [Redacted]

**Statutory Leave of Absence - within six months from end of leave**

Plan design DBplus	Purchase type Statutory Leave of Absence
Request date 30-Aug-2022	Social Insurance Number [Redacted]
Member ID [Redacted]	First name [Redacted]
Last name [Redacted]	Date of birth 10-May-1964
Leave start date 17-Jun-2022	Leave end date 20-Jun-2022

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**Member purchase information**

Leave start date 17-Jun-2022	Leave end date 20-Jun-2022		
Deemed earnings 5,000.00	Deemed service #.#####	Member contributions 450.00	Employer contributions 450.00
<b>Total cost</b>			900.00
<b>Payment deadline</b>			20-Dec-2022

I confirm a copy of this purchase quote will be provided to the member.

[Save](#) [Finish quote](#) [Cancel](#)

**Member purchase information**

Leave start date 17-Jun-2022	Leave end date 20-Jun-2022		
Deemed earnings 5,000.00	Deemed service #.#####	Member contributions 450.00	Employer contributions 450.00
<b>Total cost</b>			900.00
<b>Payment deadline</b>			20-Dec-2022

I confirm a copy of this purchase quote will be provided to the member.

[Save](#) [Finish quote](#) [Cancel](#)

Reminder: Print and provide a copy of this purchase quote to the member

# Employer Portal: Purchase quote

Recent activity

Start time	Activity
------------	----------

[View all activity](#)

Transactions in progress

In progress	Member name	Type of transaction
6900	HIYRGKGDUWXPR EKYPHIYZY	Purchase Request
6897	HIYRGKGDUWXPR EKYPHIYZY	Leave Start
6895	HIYRGKGDUWXPR EKYPHIYZY	Leave Start

[View all in progress](#)

Transactions sent to CAAT

Submitted	Case number	Tracking ID	Member name	Type of transaction
7138			HIYRGKGDUWXPR EKYPHIYZY	Purchase Request
6899	CA0214283		HIYRGKGDUWXPR EKYPHIYZY	Leave Start
6840	CA0214248		HIYRGKGDUWXPR EKYPHIYZY	Leave Start

[View all sent](#)



This has not been sent to CAAT through PAL as there is no Case number or Tracking ID

# Additional resources – Employer Manual

The screenshot displays the CAAT Employer Manual website. The top left features the CAAT Pension Plan logo and the 'EMPLOYER MANUAL' title with the subtitle 'A resource for CAAT Plan administrators'. A search bar is located in the top right. A left-hand navigation menu is titled 'Contents' and lists various topics, with 'Leaves and Pension Purchases' currently selected. The main content area shows the breadcrumb 'You are here: Leaves and Pension Purchases' and a blue header for the current page. Below this is a green box containing a link to 'Employer guidelines for non-statutory and statutory leaves of absence (PDF) (applicable for Employers that participate in DBprime and DBplus)'. The text below the box states: 'This document provides a summary of the treatment of leaves and layoffs arising from the ongoing COVID-19 situation.' Further down, a paragraph explains that members may be eligible to increase their pension by making a purchase before termination. A 'Note' states that all purchases are subject to the maximums in the Income Tax Act (Canada) (ITA). A section titled 'Employers that participate in DBplus only' explains that members can elect to increase their pension during eligible employment, including pre-enrolment or leaves of absence. It also notes that purchased pension continues to grow with conditional AIW enhancements and that periods before January 1, 1991 are not eligible for purchase under DBplus.

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PENSION PLAN

EMPLOYER MANUAL  
A resource for CAAT Plan administrators

Search

Contents

- Welcome
- Getting Started
- NEW What's New
- Income Tax
- Enrolment
- Contributions, Service and Earnings
- Leaves and Pension Purchases**
  - Process
  - Forms and Tools
  - Training Resources
  - Service levels
  - FAQs
- Transfers
- Disability
- Marriage Breakdown
- Termination
- Working past age 65
- Retirement

You are here: Leaves and Pension Purchases

## Leaves and Pension Purchases

[Employer guidelines for non-statutory and statutory leaves of absence \(PDF\) \(applicable for Employers that participate in DBprime and DBplus\)](#)

This document provides a summary of the treatment of leaves and layoffs arising from the ongoing COVID-19 situation.

A member, prior to reaching their termination of employment date, may be eligible to increase their pension by making a pension purchase. This page contains important information on topics related to pension purchases in the Plan. Select the items in the list to view the applicable section.

**Note:** All purchases are subject to the applicable maximums set out in the *Income Tax Act* (Canada) (ITA).

**Employers that participate in DBplus only**

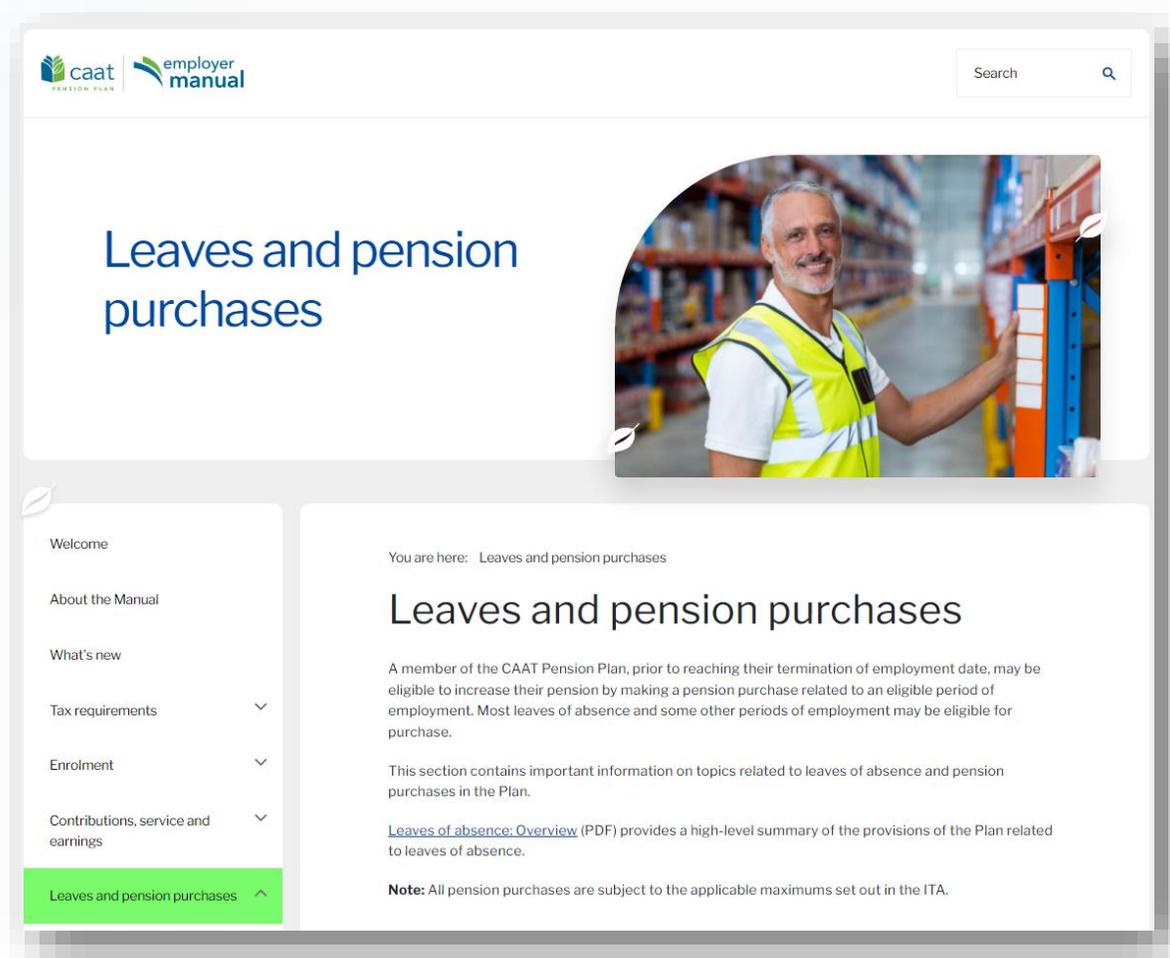
Under DBplus, a member may elect to increase their pension by making a pension purchase for a period of eligible employment, including pre-enrolment employment or a leave of absence.

Any pension purchased will continue to grow with conditional AIW enhancement increases.

Periods prior to January 1, 1991 are not eligible for purchase under DBplus.

# Additional resources – Employer Manual

**NEW** After October 31



The screenshot displays the CAAT Pension Plan Employer Manual website. At the top left, the CAAT Pension Plan logo and 'employer manual' text are visible. A search bar is located at the top right. The main content area features a large heading 'Leaves and pension purchases' next to a photograph of a smiling man in a yellow safety vest in a warehouse. A left-hand navigation menu includes links for 'Welcome', 'About the Manual', 'What's new', 'Tax requirements', 'Enrolment', 'Contributions, service and earnings', and 'Leaves and pension purchases' (which is highlighted in green). The main content area shows a breadcrumb trail 'You are here: Leaves and pension purchases', followed by the heading 'Leaves and pension purchases'. The text explains that members of the CAAT Pension Plan can increase their pension by making a purchase related to an eligible period of employment. It also mentions that the section contains information on leaves of absence and pension purchases. A link to 'Leaves of absence: Overview (PDF)' is provided, and a note states that all pension purchases are subject to the applicable maximums set out in the ITA.

Periods of prior  
employment  
before enrolment

## Periods of prior employment before enrolment

- Eligible purchases
- Timing
- Roles and responsibilities



# Periods of prior employment before enrolment

## Eligible periods

- Employment with a non-participating employer's Canadian Registered Pension Plan
  - Transfer from former employer's pension plan (Defined Contribution only) or;
  - A former benefit transferred to CAAT via a financial institution
- Periods of employment prior to enrolment
  - CAAT participating employer
  - 100% member cost

# Eligible periods for purchases

Purchasing pension under DBplus



Purchases are only permitted for periods of employment on or after January 1, 1991.

1990 1991

Purchasing pension earned in a non-participating employer's DB plan



Pension earned in a non-participating employer's Defined Benefit (DB) pension plan is only eligible for purchase for periods on or after January 1, 1992.

1991 1992

## Where can funds come from?

- Registered Retirement Savings Plan (RRSP)
  - Personal / Group
- Locked in Retirement Account (LIRA)
- Defined Contribution Plan



# Other types of eligible purchases

- Prior membership period – commuted value payment
- Pregnancy/parental/adoption/statutory leave (after 6 months)
- Unpaid Leave of Absence (LOA) (after 6 months)

# Periods of prior employment before enrolment

- Direct members to the [Increasing your pension with a purchase](#)
  - [DBplus Pension Purchase Tool](#)

## Why is it important?

- Helps members in decision-making
- Helps members understand the impact of a pension purchase

# Periods of prior employment before enrolment

## Timing

- Purchases **must** be initiated before termination or retirement
  - A purchase can be completed during the Extension of Membership (EOM) period, but cannot be initiated during EOM
  - Previous employer's plan may have deadlines
  - Plans registered outside of Ontario may have legislative restrictions
- The member is responsible for the purchase

# Periods of prior employment before enrolment - applicable forms

Purchase Type	Form to be completed
DBplus member – Transfer in of funds related to former employer’s pension plan	DBplus purchase application – Transfer in of funds related to a former employer’s pension plan
DBplus member – Period of employment with a CAAT participating employer	DBplus purchase application – Period of employment with an employer that participates in the CAAT Pension Plan

# Roles and responsibilities

## **Employer role**

- Complete applicable sections of application forms
- Ensure latest forms are used

# Costing methodology

- DBplus maximum contribution
  - 18% of Eligible Earnings up to the Income Tax Act (ITA) maximum
    - For transfers from other employer's pension plan, cost would be 18% of eligible earnings
    - For purchases of prior employment with a CAAT employer or breaks in employment after 6 months, the maximum amount the member can contribute for the purchase is equal to the total amount of member and employer contributions that would have been made had the member been contributing during the period

# Periods of prior employment before enrolment

## **CAAT final steps:**

1. Updates member's record when funds are received
2. Sends confirmation letter indicating the amount of pension purchased
3. My Pension will be updated with purchase
4. Annual Statements will have purchased pension reflected if payment is received by the end of November



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