Financial Services Commission of Ontario Commission des services financiers de l'Ontario



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Contributions

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If an employee elects to continue contributions during pregnancy and parental leave, how are these contributions remitted and when?

The method of payment of employee contributions is provided for by the individual pension plan. This could include periodic payments during the leave, a lump sum payment after the leave, periodic payments after the leave or some other arrangement which the plan sponsor wishes to implement.

In a contributory pension plan members must elect, in writing, whether to continue or cease their contributions. What are the plan sponsor's obligations in this regard?

The plan sponsor should provide sufficient information for employees to make an informed election. This information might include scenarios under either choice which clearly illustrate the possible results of the election. The employer should also provide information on the method of payment of contributions.