New OMERS contribution rates start January 1, 2027

OMERS contribution rates are changing following a review and approval by the OMERS Sponsors Corporation Board in 2024.

The changes will redistribute contributions across member groups, meaning some members may see increases while others may see decreases. Employer contributions will continue to match members and overall, the total contributions to the Plan remain unchanged.

The new rates will take effect on **January 1, 2027**.

Who the changes apply to

The new rates will apply to every member working for an OMERS employer and contributing to the OMERS Plan on or after January 1, 2027.

Generally, normal retirement age (NRA) 60 members will pay more, as well as some higher-earning NRA 65 members*.

NRA 65 members whose earnings are lower will generally pay less.

These changes do not affect:

- Members who retire before 2027
- Members who are no longer contributing to OMERS
- The calculation of the OMERS defined benefit pension

**Members whose earnings are above the Year's Maximum Pensionable Earnings (YMPE). The 2026 YMPE is $74,600.*

What are the new contribution rates?

In 2024, the OMERS Sponsors Corporation Board approved the following adjusted contribution rates, effective January 1, 2027:

	Current contribution rates (in effect since January 1, 2015)		Approved contribution rates (effective January 1, 2027)	
	Portion of contributory earnings		Portion of contributory earnings	
	Below YMPE*	Above YMPE*	Below YMPE*	Above YMPE*
NRA 65*	9.0%	14.6%	8.6%	15.7%
NRA 60	9.2%	15.8%	9.6%	16.7%

**YMPE changes each year. The 2026 YMPE is $74,600. The 2027 YMPE is expected to be published by the Canada Revenue Agency in the fall of 2026.*

Members are charged a blended rate based on their individual pay.

What does this mean for OMERS members?

Members and their employer make regular contributions to the OMERS Plan in equal amounts every pay period. Contribution rates vary based on the member's NRA (60 or 65) and how much they earn (i.e., their OMERS contributory earnings).

The estimated impact on member contributions depends on their level of contributory earnings, as illustrated below:

	Estimated impact on bi-weekly contributions per pay (after tax)*	
Annual contributory earnings	**NRA 65**	**NRA 60**
$40,000	-$5	+$5
$60,000	-$6	+$6
$80,000	-$6	+$9
$100,000	-$1	+$14
$120,000	+$4	+$15
$140,000	+$9	+$19
$200,000	+$22	+$28

**These figures are approximate and provided for illustration purposes only, based on assumptions and calculated at a point in time. The table was prepared as if the revised contribution rates were in effect in 2026 (i.e., reflects 2026 YMPE of $74,600, which will increase each year in line with the average Canadian wage increases). In addition, after-tax calculations are based on marginal tax rates at the various earnings levels for Ontario residents in 2026, and assume no additional income. Actual contributions will be based on earnings in 2027 and the actual YMPE which may be materially different than the estimates shown above.*

It's important to remember that the OMERS pension paid to retired members is based on a set formula – not on what members contribute.

OMERS is a defined benefit pension, which means the pension a member receives is calculated using a set formula based on salary and years of credited service. To learn more about the formula, visit How your pension is calculated. OMERS pensions provide a predictable, reliable income in retirement regardless of changes to contribution rates.

How to learn more

You can read more about how your contributions are calculated on the New to the Plan webpage and explore a wide range of information sessions and webinars that will help you understand the Plan.

If you have any questions, please reach out to OMERS Member Experience.