

Transition to the new leave process: An employer guide

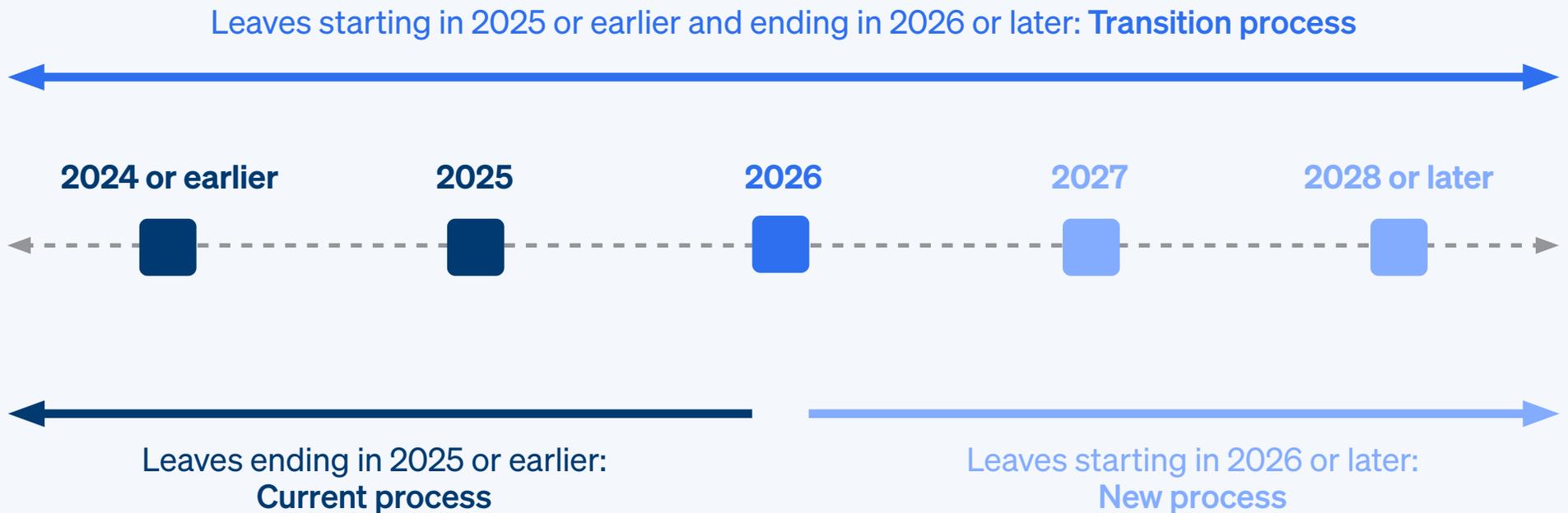


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Introduction

Changes are coming to leave purchase administration! Until the new process is fully in effect, the current process will still apply to a portion of leaves that started earlier but continue into 2026. There will be a transition period for both OMERS and employers. This guide will help you prepare for how to navigate the required steps and support your work through these changes.

Transition approach



Overview of the current, new and transition processes

Subject	Current process Leaves ending in 2025 or earlier	New process Leaves starting in 2026 or later	Transition process Majority of leaves that start before 2026 and continue in 2026
Leave reporting	Employers report at the end of a leave. However, if a leave first reported to OMERS is in 2026, the employer inputs will look different. See the “ Transition leave reporting ” section.	Employers report at the beginning of a leave (with some exceptions), no later than 30 days after leave start date. See the leave reporting guide for more information.	Special leave reporting rules apply – see the “ Transition leave reporting ” section.
Member communications, elections and payments	Employers are responsible for sending members their purchase options using e-Form 165b, receiving elections and collecting payments. Member payments could be received in 2025 or 2026.	OMERS is responsible for sending members their purchase options digitally via myOMERS, and for receiving elections and collecting payments directly from members.	Follow new process.
Leaves dashboard in e-access	These leaves will not appear on the e-access dashboard.	These leaves appear on the dashboard, but member elections and purchase payments only appear for leaves requiring employer matching (for example, parental leaves).	Follow new process.
Employer matching payments	Employers remit member payments and employer matching payments where applicable using e-Form 105.	Employers only remit matching payments using e-Form 105.	Follow new process.
Tax reporting Note: A tax reporting guide will be issued by OMERS in the coming months.	Employers report pension adjustments (PAs) for the 2025 tax year on T4 slips, including any amended PAs, as well as member contributions including any leave payments received in 2026 or later in respect of these leaves.	OMERS is responsible for PA reporting for the 2026 tax year and beyond (including any amended PAs) as well as member contributions received in 2026 or later.	Current process for the 2025 tax year. Follow new process for the 2026 tax year. During the transition, members will have two years after their leave to complete their purchase. Employers will be responsible for amending 2025 PAs if necessary until the leave purchase option expires.
Leave purchase deadline	December 31, 2026.	Two years from leave end date.	Follow new process.

Transition groups

There are two groups of members who will be impacted by the transition to the new process. The majority of members will fall under Transition Group A. Employers who have members in Transition Group B are encouraged to contact OMERS to prepare for 2026.

Since scattered day leaves are reported by calendar year, they are not impacted by the transition. Scattered day leaves in 2025 will follow the current process and scattered day leaves in 2026 will follow the new process.

Subject	Transition Group A Members whose leaves continue from 2025 into 2026 AND who are not making any OMERS contributions during their leave in 2025	Transition Group B Members whose leaves continue from 2025 into 2026 AND who are making OMERS contributions through payroll during their leave in 2025
Treatment	A mixture of the current process and new process.	The leave is split by calendar year: <ul style="list-style-type: none">• Portion of leave prior to 2026 is administered under current process• Portion of leave during and after 2026 is subject to new process This typically occurs when a member is paid top-up earnings above EI benefits through payroll and OMERS contributions are deducted from the top-up.
Leave reporting	Employers report a leave as open-ended in e-access to indicate that it did not end in 2025.	Employers must report a leave as if it were two separate leaves: <ul style="list-style-type: none">• Part 1: Report an end date in 2025 for Part 1 of a leave• Part 2: Report the same type of leave starting the day after the Part 1 leave end date See “Transition leave reporting” section.
Member impact	OMERS will provide a leave election package to members digitally via myOMERS under new process for the whole leave, including the portion of a leave that occurred before 2026. Members will have the ability to purchase during their leave starting in 2026 and are eligible for more flexible payment options for the entire leave.	Employers give members a leave election package for Part 1 of a leave and OMERS provides a leave election package to members for Part 2 of the leave digitally via myOMERS. Members will have the ability to purchase Part 2 of their leave with more flexible payment options, whereas Part 1 of their leave will have the purchase options currently available.
Payroll impact	Not applicable.	Employers must stop deducting contributions through payroll starting with the first pay in 2026, which may include payment for work from 2025. See “Transition leave reporting” section.

Transition leave reporting

Transition Group A

We recommend that you report Transition Group A leaves as open-ended in January 2026 so that you can report a leave only once.

Reporting a leave in 2026 (*Recommended!*)

If you **do not** know the end date, report the leave in two portions in 2026 under the new process as follows:

1. Report the 2025 portion of a leave as open-ended with a start date in 2025.
2. You'll be asked to confirm OMERS-calculated amounts from the leave start date to December 31, 2025. Refer to the [leave reporting guide](#) for more detailed information and step-by-step instructions.
3. Report the 2026 portion at the same time. The leave will be assumed to continue to December 31, 2026 and you'll be asked to confirm OMERS-calculated amounts for the full calendar year.
4. Report an end date when you know it using the leaves dashboard. You'll need to report the end date within 30 days of the leave ending.

If you **do** know the end date, report the full leave in 2026 under the new process as follows:

1. Report within 30 days of the leave ending.
2. You'll be asked to confirm OMERS-calculated amounts for the full leave.
3. If you need to change the end date, you will need to use e-Form 165c.

Reporting a leave in 2025 and 2026

If you first reported a leave in 2025 as open-ended under the current process, you will need to report the 2026 portion of the leave in January 2026. Report the 2026 portion of a leave as early as possible in January 2026 under the new process to permit the member to take advantage of the longest possible opportunity to purchase their leave, including while they are still on a leave. As noted above, you will be asked to confirm OMERS-calculated amounts.

Transition leave reporting, continued

Transition Group B

Under the transition process, Transition Group B has their leave split in two.

Leave reporting

1. Report the portion of a leave ending in 2025 with the end date for the last pay period in 2025 where OMERS contributions were deducted through payroll under the current process.
2. Report the portion of a leave beginning the following day separately in January 2026 under the new process.
 - a. If you do not know the end date, do not report one. A leave will be assumed to continue to December 31, 2026. You'll need to report the end date within 30 days of the leave ending.
 - b. If you report an end date and you need to change it later, use e-Form 165c.

Stop payroll deductions

Employers must stop deducting contributions through payroll for OMERS starting with the first pay paid in 2026.

Under the new process, OMERS will receive payments directly from members starting in 2026. Prompt reporting is key since it will allow members the opportunity to continue their purchase directly with OMERS.



Transition Group B example

A member takes a parental leave from February 10, 2025 to July 20, 2026. The details below are for that member's relevant pay periods during year-end for 2025 and in early 2026.

Member's final pay paid in 2025

Period:
November 30 to December 13, 2025
(For days worked December 1 to 12)

Payment date:
December 19, 2025

Member's first pay paid in 2026

Period:
December 14 to 27, 2025
(For days worked December 15 to 26)

Payment date:
January 2, 2026

Member's second pay paid in 2026

Period:
December 28, 2025 to January 10, 2026
(For days worked December 29 to January 9)

Payment date:
January 16, 2026

As an employer, you must:

1. End the member's payroll deduction effective December 14, 2025. The first pay in 2026 must not include payroll contributions related to the leave, even though it relates to a 2025 pay period. This ensures that 2026 tax reporting can be entirely managed by OMERS.
2. Report the first portion of a leave under the old process as a leave starting on February 10 and ending on December 13, 2025, i.e. last day of the last pay period paid in 2025.
3. Report the second portion of a leave under the new process as an open-ended leave starting December 14, 2025 in January 2026.
4. Once the member returns to work on July 20, 2026, report the end date within 30 days through the leaves dashboard in e-access.

Existing responsibilities continue for leaves that end in 2025 or earlier

Your existing responsibilities for OMERS leave administration will continue for leaves that end in 2025 or earlier.



Leave reporting

- Report leaves that end in 2025 under the current process in 2025. However, if a leave ends late in 2025 and you are unable to report it in 2025, you may report it in 2026.
- If you report a leave in 2025, you will need to calculate and report the required credited service and deemed earnings – as is the case today.
- However, if you report in 2026, the new e-Form 165a will calculate credited service, deemed earnings and leave cost. If necessary, you may override the calculated amounts.



Member communications, elections and payments

- Whether you report a leave that ends in 2025 in 2025 or early in 2026, OMERS will produce an e-Form 165b member election package.
- You will continue to be responsible for providing a package to members, as well as collecting their election and payments, even if those events occur in 2026. This is the same as the process that exists today.



Employer matching payments

- Remit any required employer matching contributions at the same time you remit member payments using e-Form 105. There is no change to the remittance deadline.



Tax reporting

- You remain responsible for tax reporting related to leaves that fall under the current leave administration process. That includes PA reporting (including amended PAs) on T4s and reporting a member's leave purchase payments, even those that arrive in 2026.
- As we transition to the new leave administration process, it is expected that your tax reporting responsibilities for leaves ending in 2025 will end in the 2026 tax year.

Contact us

Have questions about how transition rules apply to your organization? We're here to help. You can visit the [leave purchases hub on e-access](#) for the latest information, including downloadable guides on leave reporting, the leaves dashboard, employer payments and more – with more details on tax reporting coming this fall. Or you can book a meeting with your Employer Experience team to have a one-on-one chat about the new process and the transition. You can also call **1-416-350-6750** or **1-833-884-0389** to get in touch with our dedicated Employer Support Line from **Monday to Friday, 8 a.m. to 5 p.m. E.T.**