

December 2024



• H A P P Y • N E W • Y E A R •

Dear Plan Member,

Active Member Accrual Rate Set at 1.85% for 2025

Happy New Year! The Pension Board is pleased to announce that the accrual rate for active plan members will be set at 1.85% for 2025. There will be no change to contribution rates. The accrual rate, which was set to return to 1.4% in 2025, is now set to return to 1.4% in 2026.

What is the “accrual rate”?

Each year that you work for a participating employer and contribute to the pension plan, you earn or “accrue” a pension credit. The accrual rate is the percentage of your pensionable earnings that you earn as a pension credit. At the end of your career, the annual pension amounts earned each year will add up to the total annual pension you will receive for the rest of your life. So, the higher amounts earned in 2025 will continue to benefit you for the entirety of your retired life. The increased benefit you earn in 2025 will show on your 2025 pension statement, which you will receive in June 2026.

The Pension Board and Pension Plan Advisory Committee regularly assess the pension plan’s financial position. This one-year increase to the accrual rate can be made within the terms of the Funding Policy due to the continued strong funded position of the plan.

Sincerely,

Anne Soh
Chair of the Board of the Pension Plan of The United Church of Canada