



February 3, 2023

Cost-of-Living Adjustments for Retired Members

During this period of high inflation, the Teachers' Pension Plan (TPP) provides full cost-of-living adjustments (COLAs) to retired plan members.

Effective January 2023, retired members will receive a COLA of 6.9%. The COLA matches the annual change in the Canadian consumer price index (CPI) in the 12 months up to and including September 2022. Those who retired partway through 2022 will be pro-rated based on the number of months in 2022 that they received a pension.

Plan rules allow the TPP to grant an annual COLA up to the annual percentage increase in the CPI. While not guaranteed, in all years since 2000 (except 2010), there has been a COLA increase on January 1 for retired members.

The TPP considers it a priority to provide sustainable COLAs to help members maintain the purchasing power of their pension. Once granted, COLAs become part of a member's basic pension and, if applicable, the bridge benefit and temporary annuity for as long as they are received.

The COLA is paid from the "IAA" (Inflation Adjustment Account), which is funded by both investment returns and member/employer contributions.

More information on this process can be found on the TPP website in the [following article](#).