

Political responsibility

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A FEW LANDMARKS

- 1966** Coming into effect of the Quebec Pension Plan (QPP)
- 1973** Creation of The Government and Public Employees Retirement Plan (RREGOP) on July 1st, following the 1972 provincial negotiations:
- Healthcare professionals hired since July 1, 1973 and who hold a position contribute to RREGOP as of their hiring date;
 - Healthcare professionals who contributed to a supplemental pension plan (SPP) before July 1, 1973 decided, in a referendum vote, if they wanted to convert their SPP into a lifetime annuity (insurer) or transfer it to the *Commission administrative des régimes de retraite et d'assurance* (CARRA);
 - Healthcare professionals who did not contribute to a SPP before July 1, 1973 can buy back the years of service prior to their joining RREGOP as a pension credit.
- 1987** Important modifications to the RREGOP plan on January 1st following provincial negotiations:
- Employees who do not hold positions (availability) henceforth contribute to RREGOP. They can buy back the service as an availability employee before January 1, 1987, including periods of maternity leave and disability.
- 1991** Other modifications to the RREGOP plan following provincial negotiations:
- Lowering of the retirement age to age 55;
 - Lowering of the cost for the buy-back of a leave of absence without pay following a maternity, paternity or adoption leave;
 - Recognition, without cost, of a maternity leave before January 1, 1989.
- 1996** Important modifications to the RREGOP plan following provincial negotiations:
- Introduction of new permanent criteria for pension eligibility without actuarial reduction: age 55 and 35 years of service, age 60 and 20 years of service;
 - Possibility of transferring the value of the deferred annuity to a locked-in retirement account (LIRA) under certain conditions in the case of termination of employment;
 - Establishment of temporary measures as incentives to retire and to reduce work time.
 - Lowering of the actuarial reduction from 6 to 4%.

- 1997** Voluntary retirement programme following a provincial agreement on the reduction of labour costs:
- Pension eligibility criteria (temporary): age 50;
 - Revaluation (temporary) of pension credits.
- Recognition of years worked as a student nurse for the purpose of buying back previous years of service for RREGOP following an arbitration decision won by the FIIQ.
- 2000** Major modifications of the RREGOP plan following provincial negotiations:
- New permanent criteria for pension eligibility without actuarial reduction: age 60 (regardless of the number of years of service) or 35 years of service recognized for the purpose of pension eligibility (regardless of age);
 - Revaluation of years giving the right to a pension credit for the employee who ceased to participate in her plan after December 31, 1999;
 - Recognition of a complete year of service for pension eligibility, applicable to a part-time employee or an employee on leave without pay, beginning in 1987.
- 2001** Modifications to the provisions concerning buy-backs:
- A better rate (for buying back service as an availability list employee and for buy-backs done more than 6 months after the end of a leave without pay) is introduced;
 - The contribution to RREGOP during certain absences is now maintained;
 - The possibility of buying back a minimum number of days and not the complete leave is obtained;
 - An interest rate, similar to that offered at financial institutions for financing a buy-back, is introduced.
- 2002** Mandatory contribution during leaves without pay of less than 30 consecutive days and part-time leaves without pay equivalent to 20% or less of a full-time leave.
- 2006** An employee may now buy back a maternity leave and a leave without pay as an extension of her maternity leave, before her participation in RREGOP (buy-back of a pension credit) following an arbitration decision won by the FIIQ.
- Increase to 135 days credited for a maternity leave which started after December 31, 1988.
- Passing of a law which put the CARRA in a distinct law.
- 2007** The retiree who returns to work draws her pension and her salary, regardless of her age, and she no longer contributes to RREGOP.

2008 Possibility for the spouse to give up his deceased spouse's pension for the legal heirs.

2010 Entry into force of the legislative amendment stipulating that lump sum amounts paid since 2007 are spread out as a salary increase.

Reduction in the delay of 36 to 24 months for the revision of the annuity by the CARRA.

Possibility for an employee who has held a position in a research centre to buy back the time worked, under certain conditions.

Major amendments to RREGOP following the 2010 provincial negotiations:

- Change of the actuarial method used to determine the contribution rate to be paid. This change brings more transparency by the identification of a surplus or a deficit. In addition, a greater stability in the contribution rate is expected by the creation of a financial reserve.
- New contribution formula which will be gradually installed from January 1, 2012 and ending in 2016.
- The union party formally commits to funding half of the costs related to the indexation formula for 1982 to 1999, when the funds permit.
- The following modifications are in effect as of January 1, 2011:
 - removal of the ceiling on the maximum number of years of participation in RREGOP for purposes of calculating the pension annuity, from 35 to 38 years;
 - the bank of 90 days can no longer be applied to a leave of absence without pay taken as of January 1, 2011, except for parental leaves
- April 1, 2011, an increase in the fee schedule applicable to buying back service.
- Buying back years of service prior to RREGOP is no longer possible as of July 1, 2011.

2013 Recognition of the right to a buy-back for occasional employees and employees who hold part-time positions based on the time that they would have worked if they had not had an authorized leave.

2015 Confirmation by the CARRA that the FIQ group insurance contract meets all the requirements of Article 21 in the RREGOP Act, and that, as a result, the members of the FIQ are entitled to an exemption from contributions for more than three years.

ACRONYMS

CARRA

Commission administrative des régimes de retraite et d'assurances

C. A.

Collective agreement

CPI

Consumer Price Index

LIRA

Locked-in Retirement Account

MPE

Maximum Pensionable Earnings in the QPP plan

OAS

Old Age Security

PA

Pension Adjustment

PAPS

Pension Adjustment for Past Service

SPP

Supplemental Pension Plan

RRSP

Registered Retirement Savings Plan

RREGOP

Government and Public Employees Retirement Plan

QPP

Quebec Pension Plan

ADDRESSES

CARRA

475, rue Saint-Amable
Quebec City (Quebec) G1R 5X3
Tel.: 418 643-4881 or 1 800 463-5533
Web site: www.carra.gouv.qc.ca

OAS

Service Canada
Tel.: 1 800 277-9915
Web site: www.servicecanada.gc.ca

Quebec City office - Service Canada Centre
330, de la Gare-du-Palais St.
Quebec City (Quebec) G1K 3X2

Montreal office - Service Canada Centre
Complexe Guy-Favreau, Suite 034
200, René-Lévesque Blvd West
Montréal (Québec) H2Z 1X4

QPP

P.O. Box 5200
Quebec City (Québec) G1K 7S9
Tel.: 1 800 463-5185

Montreal office
1055, boulevard René-Lévesque Est
Montréal (Québec) H2L 4T6
Tell : 514 873-2433
Web site: www.rrq.gouv.qc.ca

PORTAIL - QUÉBEC

Web site: www.gouv.qc.ca

RREGOP ANSWERS TO YOUR QUESTIONS

This FIQ brochure provides the most complete information possible on your pension plan. Whether you are 5, 20 or 30 years from retirement, this logbook is for you.

As a healthcare professional and woman, you often work part-time, sometimes even on call and you have maternity and parental leaves; these are all situations that will affect the benefits that you receive when you retire.

Because of the many interventions by the FIQ, improvements to the RREGOP, more particularly those for part-time and casual employees, will now make it possible for them to retire in better financial condition.

Indeed, the revaluation of years giving right to pension credits, the recognition of periods not worked for the purpose of pension eligibility or, still, the improvement of permanent criteria for pension eligibility are all elements that can have a positive effect on living conditions during retirement.

Today for tomorrow

Concerned with the living conditions of healthcare professionals whether in the job market or in retirement, the FIQ remains vigilant over the future of the public retirement income plans. So, the Federation continues to develop and defend demands, always with the purpose of improving the income of retired healthcare professionals.

Convinced of the necessity to be well informed today and tomorrow, the FIQ offers information, such as this brochure and meetings on the pension plan. To make aware, to inform, to defend, to demand, these are some of the actions that must be collectively undertaken in order that all healthcare professionals can live in their retirement in good financial, physical and psychological health.

Careful reading of this brochure will provide you with all the necessary information for a better understanding of your main source of retirement income: your RREGOP. In it, you will also find information regarding other sources of income, such as the QPP (Québec public pension plan), the OAS (federal universal pension plan) and the RRSP (private pension plan).

My RREGOP, I see it now!

RREGOP

PENSIONABLE EARNINGS

The pensionable earnings are the basic annual salary or the salary at the echelon in the collective agreement and paid to an employee over a civil year. The salary for an employee receiving salary insurance benefits or on maternity leave is the salary that she would have received had she not been absent for this reason.

- Included in the pensionable salary for healthcare professionals: lump sum payments and additional remuneration.
- Excluded from the pensionable salary: premiums, compensations, overtime and fringe benefits.

CONTRIBUTION

Contributions are calculated on the pensionable earnings. Since RREGOP is a plan with a defined benefit, the rate of contribution is not fixed and varies over time subject to triennial actuarial valuation and annual updates.

The rate of contribution is 10.50% for 2015 and the maximum pensionable earnings (MPE) in the Quebec Pension Plan are \$53,600.

CALCULATION OF CONTRIBUTIONS – 2015

Yearly contribution	X	10.50%	X	(pensionable earnings - 27% MPE ¹)	
Employee	X	10.50%	X	(\$64,368 ² - \$14,472)	\$5,239.08 per year

The calculation of the contribution and the exemption on the maximum pensionable earnings for the following year will vary in the following manner:

2016: Contribution rate (11.15%) x (pensionable earnings – 25% MPE)

A reduction is applied to the amount of the contribution to be paid for the employee whose annualized pensionable earnings is less than the maximum pensionable earnings (MPE). This, so that the contribution paid is equivalent to the contribution that she would have paid if the exemption percentage applicable to the MPE had remained at 35%.

¹ MPE: maximum pensionable earnings for the QPP. It is \$53,600 for 2015

² Salary of a full-time nurse – 36.25 hours – 12th echelon – about \$64,368 for 2015

BENEFIT

At retirement, the healthcare professional can count on a pension made up of the basic pension annuity, to which is added, if applicable, the pension credit, the supplemental life annuity and the temporary annuity.

1. BASIC PENSION

The basic pension is paid at retirement to the employee based on her years of participation in RREGOP.

1.1 Calculation of the pension annuity

The amount of the pension for the retiree is calculated using the following formula:

$$2\% \times \begin{array}{l} \text{Number of years of} \\ \text{service for the calculation} \\ \text{(maximum 38 years)} \end{array} \times \begin{array}{l} \text{Pensionable earnings} \\ \text{(average for the 5 best-} \\ \text{paid years)} \end{array} = \begin{array}{l} \text{Annual pension} \\ \text{annuity} \end{array}$$

Years of service for the calculation

In RREGOP, a year must be indicated as 1.000 on the record of contributions and that year is 260 days for healthcare professionals.

Years of service for the calculation of the pension are:

- The years of participation in RREGOP, that is, the years of contribution;
- The exempted periods, such as disability with salary insurance benefits, CSST or the SAAQ, plus the periods when an employee receives benefits during a protective reassignment (see section 1.5 for more details);
- Credited periods, such as maternity leave(s) since July 1, 1973 or in progress on July 1, 1973 and after (see section 1.6 for more details);
- Bought-back periods, such as all unpaid absences without pay and part-time leaves without pay, parental leaves and suspensions (see section 1.7 for more details);
- The years bought back as an occasional employee working for an entity covered by the plan between June 30, 1973 and January 1, 1987;
- The years of work in a research centre before it was covered that are bought back;
- The years of work bought back at an employer added to RREGOP by decree after June 30, 2011.

These years of service which serve to calculate the pension also serve to determine your eligibility for retirement (see section 1.2 for more details).

Average pensionable earnings for the best-paid years

To establish the average salary which will serve to calculate the pension, the five years of service during which the salary was the highest must be determined.

Example:
Full-time employee without any absences

Year	Credited service	Salary
2014	1.0	\$63,830
2013	1.0	\$62,610
2012	1.0	\$61,582
2011	1.0	\$60,780
2010	1.0	\$60,338
	5.0	\$61,828


To determine the average salary for the part-time employee, the service and salary are annualized.

Example:
Part-time employee who works 50% of full-time hours

Year	Credited Service	Salary	Service annualization	Salary annualization
2014	0.5	\$31,915	1.0	\$63,830
2013	0.5	\$31,305	1.0	\$62,610
2012	0.5	\$30,791	1.0	\$61,582
2011	0.5	\$30,390	1.0	\$60,780
2010	0.5	\$30,169	1.0	\$60,338
			5.0	\$61,828

For this, the salary used to calculate the average salary is obtained by multiplying the annualized salary by the annualized service.

Consequently, the calculation of the pension of two employees who are full-time and part-time respectively, and who, for the purposes of calculation, accumulate 25 years and 12.5 years of service will be established as follows:

	Example:					
	Full-time employee:					
	2%	X	25 years	X	\$61,828	= \$30,914 per year
	Part-time employee:					
	2%	X	12.5 years	X	\$61,828	= \$14,457 per year

1.2 Eligibility for retirement

The healthcare professional who meets one of the following criteria is eligible for a pension annuity:

Without actuarial reduction

- Be 60 years of age or over, regardless of the number of years of service;
- Have 35 years of service, for purposes of pension eligibility, regardless of age.

With actuarial reduction

- Be 55 years of age or over, but less than 60 years, without having 35 years of service for purposes of eligibility.

Years of service for the purpose of eligibility for retirement


In addition to the years of service for purposes of calculating the pension annuity indicated in item 1.1, only the years of recognized service are used to establish eligibility for retirement.

They include:

- The years bought back prior to participation in RREGOP (including buy-back of a paid training period);
- The years of participation in a supplemental pension plan (excluding the years for which there is reimbursement during participation in RREGOP);
- The recognition of time worked. This is service added to complete an incomplete year of service in RREGOP for the years of service as of January 1, 1987. This service is added for those who cease to participate in RREGOP after December 30, 1999.

Eligibility for retirement with actuarial reduction

The actuarial reduction which applies to the pension is 0.333% per month which is 4% per year of anticipation between the date retirement starts and the earliest date on which an employee could have retired without an actuarial reduction.

	<p>Example:</p> <p>A healthcare professional with 28 years of service retires at the age of 56. She needs 4 more years to reach the criteria for no reduction, that is, age 60. The applicable reduction on her basic pension will be 16% which is 4 years x 4% of reduction.</p>
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1.3 Indexation

From the time it is paid, the basic pension is indexed on January 1 each year according to the rate of increase of the pension index as determined by the Quebec Pension Plan.

The indexation will be calculated according to the following rates:

Annuity corresponding to service performed	Rate of indexation
Before July 1, 1982	CPI
As of July 1, 1982 and before January 1, 2000	CPI – 3%
As of January 1, 2000	CPI – 3% minimum 50% of CPI

Following the 2010 provincial negotiations, the Common Front, of which the FIQ was a part, formally committed to funding half of the modification of the indexation formula applying to the contribution years between July 1, 1982 and December 31, 1999. Thus, when the actuarial valuation shows a surplus both higher than 20% of the actuarial liabilities and which will make it possible to completely finance the cost attributable to the employees' fund, the indexation formula will be replaced by the CPI – 3% with minimum 50% of the CPI.

1.4 Coordination

RREGOP benefits are reduced at age 65 to take into account the pension annuity paid by the QPP. This is called coordination of benefits. This allows one to maintain a comparable income since Old Age Security (OAS) is also paid at this age.

This coordination of benefits is done according to the following calculation:

2%	X	Number of years of service for the calculation (maximum 38 years)	X	Pensionable earnings (average of the 5 best-paid years)	=	Basic pension
LESS						
0.7%	X	Number of years of service for purposes of calculation (maximum 35 years)	X	Average of the MPE for the last 5 years	=	Basic pension at age 65

Following the 2010 provincial negotiations, when a retiree has more than 35 years of service for calculation purposes (new maximum of 38 years), the coordination is only done on the 35 years of service, as if the additional years (36 to 38 years) were not coordinated and, consequently, will not be subject to any reduction.

	Example:					
2 %	X	25 years	X	\$61,828	=	\$30,914 per year
LESS						
0.7%	X	25 years	X	\$49,840	=	\$8,722
						\$22,192
						coordinated pension at age 65

Even though the QPP pension annuity is paid in anticipation at age 60, the coordination with the RREGOP pension is only done at age 65.

1.5 Disability – protective reassignment benefit

When an employee is on disability and she receives benefits from salary insurance, the CSST or the SAAQ, she does not pay her contribution to RREGOP. Her contribution is waived for up to 3 years. As a general rule, the employment relationship is maintained during the first 3 years according to the provisions of the collective agreement.

However, considering that the salary insurance plan for FIQ members is mandatory and in force since at least December 31, 1989, the contribution waiver may apply after the 3rd year of disability providing the employment relationship is maintained.

The waiver beyond the 3rd year may not apply to the member who joined the FIQ following the merger of union certifications stipulated in Bill 30, if the date the disability started is prior to her joining the FIQ.

In fact, because this employee remains covered by the salary insurance contract in force on the date her disability started, the terms of her contract may be that she cannot benefit from an extension of the waiver. She should contact her grievance agent to find out.

An employee who receives an income replacement indemnity because she exercised a right stipulated in sections 40, 41 and 46 of an Act Respecting Occupational Health and Safety (protective reassignment of the pregnant or breast-feeding worker) also benefits from the waiver of contributions.

1.6 Maternity/paternity/adoption leave

Maternity leave

A pregnant employee is entitled to a maternity leave. The pension plan recognizes this leave.

The recognition, without cost, of a maternity leave which started after December 31, 1988 is done automatically by the employer's annual statement. This is true for all employees, whether they hold a position or not.

If the employee **holds a position** and she was on a maternity leave on July 1, 1973 or the leave started after that date but ended before January 1, 1989 or was in progress on that date, she does not have to pay to have this period recognized. She must however, apply to CARRA to have the leave recognized. If this leave ended before July 1, 1983, an additional condition applies for the leave to be without cost: the employee must have contributed to RREGOP or to a SPP or have acquired the right to a pension credit in the 12 months preceding the start of the maternity leave and have contributed again in the 24 months following the year the leave ended.

If the employee thinks she has bought back the maternity leave as a leave without pay, check with CARRA as the amount paid should be reimbursed to her.

An employee who **does not hold a position** and who was on a maternity leave which started on January 1, 1987 or after and which ended before January 1, 1989 or was in progress on that date, is entitled to have this leave recognized without cost, but she must apply to the CARRA. An employee must buy back service according to section 1.7 on buy-backs for a maternity leave which took place before January 1, 1987.

Maximum number of days credited for the period:

In progress on July 1, 1973 or which started after, but ended before July 1, 1976	90 days
In progress on July 1, 1976 or which started after, but ended before July 1, 1983	120 days
In progress on July 1, 1983 or which started no later than December 31, 1988	130 days
Which started after December 31, 1988 until now	135 days

Establishing the number of days recognized

For an employee who holds a part-time position and an employee who does not hold a position, the number of days recognized for this leave is proportional to the percentage of the average of the time worked for the 20 weeks preceding the leave. For an employee who holds a position, the number of days cannot be less than the number of days of her position.

Paternity leave

At the time of the birth of his child, a male employee is entitled to a leave of 5 workdays paid by his employer. The employer deducts the contribution from the salary paid during this leave.

A male employee is also entitled to a paternity leave of a maximum duration of 5 consecutive weeks. During this leave, the employer deducts, from the indemnity that is paid to the employee, a contribution equivalent to the one that he would have deducted if the employee had not taken this leave.

The female employee whose spouse delivers is also entitled to these leaves if she is designated as one of the mothers of the child.

Leave for adoption

An employee who legally adopts a child (other than her spouse's child) is entitled to a paid leave of 5 workdays. The employer deducts the pension plan contributions from the salary paid.

An employee is also entitled to an adoption leave of a maximum duration of 5 consecutive weeks. During this leave, the employer deducts, from the indemnity paid to the employee, a contribution equivalent to the one he would have deducted if the employee had not taken this leave.

1.7 Buy-back of service for the calculation of the pension and eligibility

Buy-back is a way of increasing the value of her pension annuity by adding years of service for the calculation of the pension annuity and/or to completely or partially eliminate the reduction which applies if the criteria of eligibility for retirement without actuarial reduction have not been met.

The following are subject to buy-back:

- Absences without pay corresponding to periods of leave without pay, part-time leave without pay or suspension;
- Parental leaves, that is the full-time or part-time leave following a maternity, paternity or adoption leave;
- Years of service as an occasional employee;
- The time worked in a research centre before it was covered;
- The time worked at an employer added to RREGOP by decree after June 30, 2011.

Unpaid absences

Leave without pay, part-time leave without pay, suspension

Subject to certain rules that allow for maintaining participation in her pension plan during an absence without pay, generally, to buy-back these absences, the employee's contribution and also that of the employer must be paid, increased as a result of the time elapsed between the taking of the leave and the date of the buy-back.

Buy-back in the 6 months following the end of the absence

When the buy-back application is made to CARRA in the 6 months following the end of the period of unpaid absence, the amount for the buy-back is 200% of the contributions which would have been deducted from the pensionable salary that the employee would have received if she had not been absent. She therefore pays her contribution and that of her employer.

Buy-back more than 6 months after the end of the absence

The cost of a buy-back made to CARRA more than 6 months after the end of the absence is determined by:

Pensionable earnings of the employee at the time of the application	X	Established percentage
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The applicable percentage varies according to the employee's age at the time of the application and the period of service covered by the buy-back.

When the absence has started after December 31, 2007, the rate cannot be less than 200% of the contributions (100% in the case of a parental leave) that would have been paid during that period.

Example:

Buy-back of a leave without pay

A healthcare professional took a leave without pay from January 1, 1986 to July 1, 1986. She decided on January 1, 2015 to buy back this period of absence. Her buy-back application was therefore received by CARRA more than 6 months after her return from the leave.

Age at time of buy-back	46 years
Annual salary at time of buy-back	\$52,300
Applicable rate	14.1%
Buy-back cost for one year	$\$52,300 \times 14.1\% = \$7,374.30$
Buy-back cost for 6 months	$\$7,374.30 \div 2 = \$3,687.15$

This method for determining buy-back costs has been in effect since June 1, 2001. It is much simpler than the previous method which consisted of applying the fund performance rate.

As mentioned in section 1.3, the years of participation in RREGOP do not all have the same indexation. This is why buying back a year that is fully indexed costs more than a year indexed according to the CPI less 3%. It is however more worthwhile.

Some leaves without pay are covered by different rules:

- **Leave without pay of 30 days or less and part-time leave without pay of 20% and less of the regular hours of a full-time employee.** As of January 1, 2002, the contribution must be deducted and this avoids having to buy back these leaves and consequently have to pay more than her share.
- **Leave without pay of more than 30 days and part-time leave without pay of more than 20% of the regular hours of a full-time employee.** According to the collective agreement, it is possible for the employee to maintain her participation in her pension plan during such a leave providing the required contributions are paid. This rule is very advantageous, check with your local team to find out more about it.

You will find the pricing for the buy-back of unpaid absences in Appendix 1.

Parental leaves

Leave without pay or part-time leave without pay for a maternity, paternity or adoption leave

The cost to buy back one of these leaves will be equal to half the buy-back cost of an unpaid absence if the leave was in progress on January 1, 1991 or if it started after that date for all employees. If one of these leaves occurred before January 1, 1991 refer to the section on unpaid absences in order to calculate the buy-back costs.

Buy-back in the 6 months following the end of the absence

When the buy-back application is received by the CARRA in the six months following the end of the absence, the employee only pays the equivalent of the amount that would have been deducted from the pensionable salary that she would have received if she had not been absent.

Buy-back more than 6 months after the end of the absence

The buy-back costs for periods of leave without pay are determined as follows:

$$\begin{array}{ccc} \text{Pensionable earnings of the} & & \\ \text{employee at the time of the} & \times & \text{Established percentage} \\ \text{application} & & \end{array}$$

The percentage varies according to the employee's age at the time of the application and the period to be bought-back.

You will find the pricing for the buy-back of parental leaves in Appendix 2.

Years of service as an occasional employee

Thanks to the negotiations, occasional employees have been entitled to participate in RREGOP since January 1, 1987. These employees can buy back years of service as an occasional employee between June 30, 1973 and January 1, 1987. Maternity leaves and periods of absence for disability in progress during this period can also be bought back.

Any buy-back made as of today is obviously an application made more than 6 months after the end of the absence, so it is made according to the following formula:

$$\begin{array}{ccc} \text{Pensionable earnings of the employee} & & \\ \text{at the time of the application} & \times & \text{Established percentage} \end{array}$$

The applicable percentage varies according to the age of the employee at the time of the application and the period to be bought-back.

You will find the pricing for the buy-back of service performed as an occasional employee in Appendix 3.

Research centre

Henceforth, it is possible to buy back time worked in a research centre before it was covered. The research centres concerned are those managed by an institution designated as a hospital university centre, university institute or an affiliated university centre.

An employees covered are those who work in one of these centres and whose remuneration comes from the research centre's budget, with the exception of researchers and assistant researchers who are not employees, trainees, students and workers on grants.

To buy back time worked, the research centre must become an institution covered by RREGOP. To do this, there must be a joint application from the employees and the employer. The centre may become a covered institution following a favourable vote to that effect and then the employees can make an application for a buy-back to the CARRA.

As of January 1, 2013, the rate applicable to buy back service performed in a research centre is the one that covers the cost of a buy-back of an unpaid absence and that you will find in Appendix 1.

Number of days subject to a buy-back

For an employee who holds a full-time position or an employee who holds a part-time position and does not offer any additional availability to her employer, the number of days that can be bought back is that provided in the position held by the employee.

For an employee who holds a part-time position and who offers additional availability to her employer and for an employee who does not hold a position, it is possible to buy back the days that the employee would have worked had she not been on an authorized leave.

It is up to the employer to evaluate the period which would have been normally worked by the employee who was authorized to have an unpaid absence according to the most appropriate method in a given situation.

Therefore, the average of the last 12 months of work, the average of the last 20 weeks or the number of hours worked by a person on the availability list, providing that the availability is the same, are all appropriate methods for determining the number of days which can be bought back.

For an employee who benefits from a parental leave, the period of absence should normally be established in the same proportion as that applicable to a maternity leave for the duration given under her working conditions.

Lastly, if an employee obtains a position during her unpaid absence, the number of days which can be bought back should at least correspond to the percentage of the position obtained during the absence.

Limits for buy-backs

The total length of periods of unpaid absence after 1991 that can be bought back is limited to 5 years according to taxation laws. Leaves for family obligations or parental leaves not exceeding 12 months each up to a maximum of 36 months can be added to these periods. These periods cannot exceed a total of 8 years.

However, it is the time worked in a research centre after September 4, 1991 that can be bought back.

If the limit of 8 years is reached, the CARRA will not necessarily refuse the buy-back, but will calculate a past service pension adjustment (PSPA) and have it approved by Revenue Canada. For more information on the accumulation of periods of absence, contact the employer or the CARRA who will clarify the file with her.

Advantages of a buy-back

A buy-back offers the possibility of increasing pension income and may move up the date of retirement. To evaluate the benefit that an employee can gain from a buy-back, she must compare the cost of this buy-back with the value of the benefit that the bought-back period brings. The cost must be divided by the increase in the pension income that it brings.

As a general rule, it is beneficial to buy back service as an occasional employee. As for buying back unpaid absences with an application made more than 6 months after the return to work, it is up to each individual to decide if it is beneficial to buy back by comparing the cost with the expected return, since these buy-backs are so expensive. It is generally beneficial to buy back unpaid absences as an extension of a maternity, paternity or adoption leave as of January 1, 1991 because they cost less than the other types of unpaid absences.



Example:

A 40 year-old healthcare professional buys back a year without pay taken in 1997. The buy-back costs \$5,623 because her pensionable earnings at the time of the buy-back are \$46,088 (12.2% x \$46,088). This buy-back allows her to increase her pension annuity by \$990 annually assuming an average pensionable salary of \$45,230 (2% x \$45,230). Take note that this additional amount of annuity is in today's dollar terms. At the time of her retirement, the eligible average pensionable earnings will probably be higher, thus increasing her pension annuity. She will put in a little less than 6 years (before age 65) before benefiting from this buy-back.

Conditions for a buy-back

It is mandatory to be contributing to RREGOP the day the CARRA receives the buy-back application or, if applicable, the day the application was sent. In addition, a buy-back application can only be made after the period of absence, and not during, unless it covers a disability period or a maternity leave.

It is impossible to apply for a buy-back after employment has ended. However, if at the time a person ceased to contribute to the plan she had acquired the right to a pension annuity (age 55 or 35 years of service for the purpose of pension eligibility), she could apply for a buy-back by sending the CARRA an application for buy-back and an application for a pension annuity at the same time.

An employee on the availability list could also apply for a buy-back, in spite of the fact she is no longer contributing. However, she must have contributed after the period that she wants to buy back and have acquired the right to a pension annuity at the time she ceased to contribute. In this case also, the applications for buy-back and the pension annuity must be sent to the CARRA at the same time.

Application for buy-back

When an employee meets the conditions set forth in the preceding section, she can apply for a buyback using the following forms “Application for buy-back” (727) and “Attestation of a buy-back period” (728), accompanied by supporting documents, if applicable. The list of documents appears on the forms.

Once the employee has these documents in hand, she must complete the sections that concern her on form 727. In addition, her current employer completes and signs section F on this same form in order to confirm that she participates in the pension plan at the time of the application or that she has acquired the right to retire. Form 728 is for the employer(s) during the buy-back periods. Once this form is completed and signed, it is returned to the employee who is responsible for sending the two forms required for a buy-back to the CARRA.

If the employer concerned by the buy-back period no longer exists or cannot provide the required attestations of employment for the buy-back period, the CARRA will ask for proof of the earnings received from the employer concerned. The CARRA can make a request to Revenu Québec with the employee’s permission. It would thus obtain the following information: employment income, the deductions at source from this income, the amount of the contributions to a pension plan, the name of the employer. It is possible that the CARRA will require other information, such as the salary scales in the applicable collective agreements.

Buy-back proposal

The CARRA will send the employee a buy-back proposal if the period applied for can be bought back. This proposal indicates the periods accepted, the buy-back cost, the payment terms and the benefit obtained at retirement. It will be valid for 60 days. Failing follow-up of the proposal by the end of this time period, the CARRA will consider that the application was never made. A new application can be made at a later date.

If the employee disagrees with the buy-back proposal from the CARRA (buy-back period, cost, etc.), she can apply for a review within the delays indicated in the proposal.

Payment of the buy-back

The cost of the buy-back can be paid in one of the following ways:

1. Cash payment of the buy-back cost before the date the proposal expires regardless of the method used, that is cheque, transfer from a RRSP fund or payment from a bank of sick leave days. There is no interest charge during the sixty days that the proposal is valid.

2. Payment by installments or by salary deductions. Interest for financing is charged in this case. Payment for every \$1,000 of buy-back can be spread over one year, and this, up to a maximum of ten years. In this way, if the buy-back costs \$5,000, the payment must be completed within 5 years. Nevertheless, the buy-back must be totally paid for before retiring.

Once the cost of a buy-back has been completely paid, it is impossible to cancel it in order to obtain a reimbursement of the amount paid. In addition, the buy-back cannot be paid for by the transfer of a RRSP belonging to a spouse.

Tax deductions

The amounts paid to buy back service can generally be deducted on the income tax forms, except if the payment was made by a transfer of funds from a RRSP. In this case the person has already benefited from the applicable income tax deduction. Interest is also tax deductible. The total amount deductible varies depending on the year bought-back.

The total amount paid for a buy-back of a period of service **as of January 1, 1990** is deductible in the year the payments were made. They cannot be deducted in the previous year even if amounts were paid during the first sixty days of the year. The buy-back involves a calculation of a pension adjustment (PA) or a past service pension adjustment (PSPA). See the following section for more information on the PA or the PSPA.

To buy back a period of service **before January 1, 1990** the maximum amount that can be deducted per year depends on whether there was participation or not in a pension plan during the buy-back period.

Buy-back without contribution to a pension plan

If there is no contribution to a pension plan during the buy-back period, the deductible maximum is the amount paid or the amount stipulated in the taxation laws multiplied by the number of civil years covered by the buy-back. This maximum is \$3,500 per year for federal and \$5,500 per year for provincial (Quebec).



Example:

Buy-back year	2007	
Cost of buy-back	1986	\$3,000
	1987	\$3,000
Total cost	2 years	\$6,000

	Federal deduction	Provincial deduction
Accumulated maximum	\$7,000 (2 X \$3,500)	\$11,000 (2 X \$5,500)
Annual maximum	\$3,500	\$5,500

In this example, \$3,500 in the buy-back year and \$2,500 in the following year can be deducted on federal income tax, while \$5,500 in the buy-back year and \$500 in the following year can be deducted on provincial income tax for a total of \$6,000.

Buy-back with contribution to a pension plan

When the participant has contributed to a pension plan during the buy-back period, the total amount paid is deductible up to a maximum of \$3,500 for federal and \$5,500 for provincial. However, the following amounts must be deducted from this maximum:

- The contributions paid to the pension plan for the current year;
- The amounts deducted for buying back years of service as of January 1, 1990;
- The amounts deducted for buying back years of service prior to January 1, 1990 when you were not contributing to a pension plan.



Example:

Buy-back year	2007	
Cost of buy-back	1986	\$2,500
	1987	\$2,500
Total cost	2 years	\$5,000

Taxation year	RREGOP contribution	Federal deduction	Provincial deduction
2007	\$2,000	\$1,500	\$3,500
2008	\$2,000	\$1,500	\$1,500
2009	\$2,000	\$1,500	
2010	\$2,000	\$500	
		\$5,000	\$5,000

PA and PSPA



A person who does not participate in any pension plan can contribute a maximum annual amount equivalent to 18% of her income to a RRSP. When a person participates in a pension plan, a pension adjustment (PA) is made for each taxation year. The PA consists of giving a value to this pension plan, which has the effect of reducing the annual maximum contribution to a RRSP (18% of income) for the following year. The first year that a pension adjustment was calculated was 1990. There is no PA for the years before 1990.

Because there was no or very little contribution to a pension plan during the year that will be bought back, a PA which takes this situation into consideration was issued and an additional investment in a RRSP can be made. Consequently, the CARRA should, at the time of the buy-back, correct the PA issued for the year concerned by the buy-back by issuing a corrected PA or a PSPA (past service pension adjustment).

If an employee accepts and returns a buy-back proposal before the 1st of May that follows the end of the leave that she wants to buy back, the CARRA will calculate a PA for each of the years covered by the buy-back. In other words, the CARRA will correct the PA which was issued for the tax year of the buy-back period, which will decrease the maximum allowable deduction for RRSP's in the year following the buy-back. This occurs because it was issued beforehand taking into account a period of non participation in a pension plan.

Furthermore, if the employee accepts and returns a buy-back proposal after April 30th of the year following the end of the buy-back period, the CARRA will calculate a PSPA. The issuance of a PSPA is to correct the PA issued in the past which determined, at that time, the maximum allowable deduction for contributions to a RRSP. Buy-back of previous years decreases the maximum allowable contribution that an employee can make into a RRSP. Consequently, if the employee has already contributed the maximum amount to her RRSP, she will have to withdraw moneys from her RRSP in order for the buy-back to be accepted by Canada Revenue. In the opposite case, the Canada Customs and Revenue Agency will require that CARRA cancel the buy-back and the moneys paid will be reimbursed to her. It is therefore very important that the fiscal impact of a PSPA being issued on a buy-back be evaluated.


If the employee does not make the maximum allowable contribution to her RRSP, she can transfer and use it in another year. When the Canada Customs and Revenue Agency sends the notice of contributions, it indicates the maximum allowable RRSP deduction for the next year. This notice takes into account the contributions from previous years. This amount is the RRSP margin.

	Example:		
	Adequate RRSP margin		
	Buy-back	\$3,000	
	RRSP margin before buy-back		\$7,000
	PSPA		\$6,000
			<hr/>
	RRSP margin after buy-back		\$1,000
	Buy-back financed with “new” money so the \$3,000 is totally deductible.		
	Example:		
	Inadequate RRSP margin		
	Buy-back	\$4,000	
	RRSP margin before buy-back		\$1,000
	PSPA		\$10,000
			<hr/>
	RRSP margin after buy-back		-\$9,000
	Buy-back financed with “new” money so the \$4,000 is totally deductible.		

The tax room can decrease by as much as \$8,000. If it decreases even more, a withdrawal from a RRSP is required. Consequently, the RRSP withdrawal will be taxable, which in the above example is \$1,000.


What to do when the RRSP margin is insufficient?

The payment of the buy-back by a RRSP transfer reduces the amount of your PSPA.

	Example:		
	Cost of buy-back in 2007	\$3,000	
	RRSP margin before buy-back		\$1,000
	PSPA	\$7,000	
	Buy-back (RRSP transfer)	\$3,000	
	PSPA net	\$4,000	\$4,000
			<hr/>
	RRSP margin after buy-back		- \$3,000

In the case where withdrawing a RRSP would incur significant tax consequences, the application for a buy-back can be delayed. This alternative allows the person to reduce the room required in

the RRSP. True, even if the buy-back costs more later on, the PSPA remains the same and the required margin will be less. Also, the performance from the RRSP funds will compensate for the higher cost of the buy-back. An expert in financial planning can be consulted when a tax strategy must be established.

	Example:		
	Cost of buy-back in 2014	\$6,000	
	RRSP margin before buy-back		\$1,000
	PSPA	\$7,000	
	Buy-back (RRSP transfer)	\$6,000	
	PSPA net	\$1,000	\$1,000
	RRSP margin after buy-back		\$0

1.8 Buy-back of reimbursed years

Periods that were reimbursed while the employee participated in RREGOP cannot be bought back. However, she can buy back a period of unpaid absence which was never bought back even if this period sits within a period that was reimbursed.

1.9 Bank of 90 days

To calculate the pension annuity or to establish eligibility for retirement, a maximum of 90 days is added to the service in order to fill all unpaid absences not bought-back if those absences were prior to January 1, 2011. In fact, as of January 1, 2011, only unpaid absences linked to a parental leave (maternity, paternity or adoption) can be filled by the bank of 90 days.

This bank cannot serve to determine the pensionable earnings if the absences occurred within the 5 best years.

2. SERVICE PRIOR TO MEMBERSHIP IN RREGOP – PENSION CREDIT

A pension credit is the amount that is added to the basic annuity which comes from:

- A transfer from a supplemental pension plan or a transfer agreement;
- or
- A buy-back of years of service prior to RREGOP.

It is no longer possible to buy-back the time worked prior to joining RREGOP as a pension credit as of July 1, 2011.

2.1 Eligibility

As with the basic RREGOP annuity, previous years of service for a pension credit will be payable based on certain eligibility criteria. The eligibility criteria without reduction will be different depending on where the pension credit came from.

Pension credit obtained following the transfer of a SPP

Without actuarial reduction

The pension credit from the transfer of a SPP is payable without actuarial reduction according to the same criteria as the basic RREGOP annuity, that is, be 60 years of age regardless of the number of years of service, or 35 years of service for the purpose of eligibility, regardless of age.

With actuarial reduction

The pension credit will be reduced if the retiree is age 55 or over, but less than age 60, and she does not have 35 years of service. The reduction which applies will be 4% per year of anticipation between the date of the beginning of retirement and the earliest date at which the employee could have retired without reduction according to the above-mentioned criteria.

Pension credit from the buy-back of previous years of service

Without actuarial reduction

The pension credit from the buy-back of previous years of service is payable without reduction as of age 65.

With actuarial reduction

When the employee is not 65 years of age, the reduction applied is 6% per year between the effective date of retirement and the employee's 65th birthday.

It is possible for an employee who is retiring to postpone the payment of any pension credit to a later date in order to offset or reduce the reduction which would otherwise be applied

Calculation of the annual pension credit amount following buy-back of previous years of service

For each year to be bought back, the pension credit is equivalent to 2% of the annual pensionable salary on July 1, 1973 or, if there was no pensionable salary on this date, on the date the participant joined the RREGOP plan. For each year of service, the pension credit is reduced by 0.7% of the MPE for the year of the pensionable salary or the retained pensionable salary if the latter is less than the MPE.



Example:

Period to buy back: 3 years (from July 1, 1970 to July 1, 1973)

Annual pensionable salary on July 1, 1973					\$9,154
MPE 1973					\$5,900
(2% X \$9,154)	-	(0.7 % X \$5,900)	=		\$142
<hr/>		<hr/>			Pension credit for
(183)	-	(41)			one year

The pension credit will be \$142 per year. It is \$426 for the 3 years, eligible without reduction at age 65. This amount is added to the basic annuity.

Although the annual pension credit obtained is only slightly higher, its revaluation increases its value considerably.

2.2 Revaluation of the pension credit

An employee who ceases to participate in her pension plan on December 31, 1999 or after and who, at the time of her retirement, holds a pension credit following the transfer of a SPP or that was acquired as a result of a buy-back of previous years of service benefits from a revaluation of her pension credit. This revaluation takes the form of an additional lifetime annuity and a temporary pension payable until the age of 65.

The retiree who ceased to participate in her pension plan before December 31, 1999 cannot benefit from the revaluation of her pension credits, and this, even if she returned to work after December 31, 1999.

Calculation of the additional lifetime annuity and the temporary pension

The value of the additional lifetime annuity corresponds to:

$$1.1\% \quad \times \quad \begin{array}{c} \text{Number of years or part of} \\ \text{years for the right to a} \\ \text{pension credit} \end{array} \quad \times \quad \begin{array}{c} \text{Average pensionable salary} \\ \text{of the 5 best-paid years} \end{array}$$

To this annuity is added a temporary pension payable until age 65 and calculated in the following manner: number of years of service for the right to a pension credit x \$230.

Example:

$$1.1\% \quad \times \quad 3 \text{ years} \quad \times \quad \$61,828 \quad = \quad \$2,040$$

$$3 \text{ years} \quad \times \quad \$230 \quad = \quad \$690$$

Total: \$2,040 + \$690 = \$2,730 of revaluation per year which is added to the basic annuity and the pension credit.

Revaluation limit

If the employee accumulates more than 35 years, including the years for the purpose of the calculation of the annuity and the years of pension credit, the value of the pension credit does not change, but the revaluation will be affected. The total number of years of pension credit that can be revalued is equal to 35 less the years for the purpose of the calculation of the annuity.

Example:

RREGOP years for calculation purposes	30
Years of pension credit	7
Total	37
Since the total is more than 35, the maximum number of years revalued will be $35 - 30 = 5$ years.	

Eligibility linked to revaluation

Whether the pension credit came from a transfer from a SPP or the buy-back of previous years of service, the resulting additional lifetime annuity and the temporary annuity are reduced according to the same rules as those which apply to the basic RREGOP pension.

Without actuarial reduction

The additional and temporary annuities linked to the revaluation are payable without reduction when the employee reaches 60 years of age, regardless of her years of service, or she has 35 years of service for purposes of eligibility, regardless of her age.

With actuarial reduction

The annuities are payable with reduction if the employee is age 55 or over but less than age 60, without 35 years of service. The reduction applied will be 4% per year of anticipation between the effective date of retirement and reaching the criteria without reduction.

2.3 Indexation

The indexation amount depends on the nature of the pension credit, the same as for the criteria for eligibility.

Since January 1, 2000, the pension credit obtained following a profitable **SPP transfer** is fully indexed according to the CPI during retirement.

The pension credit obtained following a **buyback of previous years of service** is not indexed. However, it can be adjusted to a larger amount following actuarial valuations.

The additional lifetime annuity and the temporary annuity are indexed annually according to the CPI – 3%.

TERMINATION OF EMPLOYMENT

1. INELIGIBLE FOR AN ANNUITY

1.1 Less than 2 years of service

An employee who ceases to be covered by her pension plan and who has less than 2 years of service for the RREGOP plan may ask for the reimbursement of her contributions with interest after a 210-day period.

If this employee again participates in the RREGOP plan and she has not received the reimbursement of her contributions, the years of service that she accumulates are added to those that are already credited to her.

1.2 Deferred pension

An employee who ceases to be covered by her pension plan, who has more than 2 years of service for the RREGOP plan and who is not eligible for a pension annuity, with or without actuarial reduction, has the right to a **deferred pension** payable at age 65.

The deferred pension is cancelled if the employee once again occupies a job covered by the plan and the years of service that she accumulates are added to the years of service already to her credit.

Eligibility

The deferred pension is payable at age 65, without actuarial reduction. An employee may however anticipate the payment of this pension as soon as she reaches age 55. If this is the case, a reduction of 4% per year of anticipation applies between the age of retirement (minimum age 55) and her 65th birthday.

Indexation

For the employee who ceased to participate in the RREGOP plan since January 1, 1991, the pension is indexed according to the CPI between January 1st of the year following the date that participation ended and ends on January 1st of the year that the first pension payment is made. Afterwards, it is indexed in the same way as the basic pension.

Calculation of the deferred pension

The annual amount of the deferred pension is calculated according to the same formula as that of the basic pension:

$$2\% \quad \times \quad \begin{array}{c} \text{Number of years} \\ \text{for calculation} \\ \text{purposes} \end{array} \quad \times \quad \begin{array}{c} \text{Average salary of} \\ \text{the 5 best-paid} \\ \text{years} \end{array} = \text{Basic pension}$$

However, in order to coordinate benefits with the QPP, the reduction of 0.7% on the basic pension stipulated at age 65, applies as soon as the pension is paid.

Example:

An employee ceases to participate in the RREGOP plan at age 42. She has 20 years of service for calculating her pension. Her average salary is \$30,000 and she wants to receive her pension at age 55. The average MPE (last 5 years) at the time her participation in the plan ended is also \$30,000.

2%	X	20 years of service	X	\$30,000	=	\$12,000	Pension
LESS							
0.7%	X	20 years of service	X	\$30,000	=	\$4,200	QPP coordination
						\$7,800	
PLUS							
Indexation during the 13 years Between age 42 and age 55 (hypothetical CPI = 2%/yr)						+ \$2,290	
						\$10,090	
LESS							
Reduction for anticipation of the pension between age 55 and age 65 (4% X 10 years)						\$4,036	
Pension at age 55						\$6,054	per year

Transfer into a LIRA

An employee who ceases to participate in the RREGOP plan after December 31, 1995 and who is eligible for a deferred pension may choose to transfer into a LIRA (Locked-in Retirement Account) or a LIF (Life Income Fund) the higher of the following amounts:

- The total of accumulated contributions with interest;
- or
- The actuarial value of the deferred pension coordinated with the QPP.

The application for transfer can be made to CARRA as of the 211th day after the date participation in the RREGOP plan ends and before her 55th birthday.

If the termination of employment occurs when the employee is age 54, she will have a maximum of 12 months following the termination of employment to apply for such a transfer.

In the case of a return to work, the participant, who took advantage of a transfer into a LIRA or a LIF and who again participates in the RREGOP plan for at least 3 months, may obtain credit for the years or parts of years reimbursed. Amounts received upon departure, plus interest obtained by the plan, must be put in her pension plan, subject to the applicable taxation rules.

2. ELIGIBILITY FOR AN ANNUITY

An employee who ceases to be covered by her pension plan and who is eligible to receive a pension annuity with actuarial reduction can postpone the application for her pension annuity to a later date, but no later than the date that she becomes eligible for a pension without actuarial reduction (age 60 or 35 years of service for purposes of eligibility).

If the employee postpones the payment of her pension past the age of 60, or past the date on which she would have reached 35 years of service, her pension will be paid retroactively and be taxable the year of the payment.

As a general rule, there is nothing to gain in postponing the application for the pension. An employee can consult a financial planner who will plan her retirement income with her.

STATEMENT OF PARTICIPATION AND STATEMENT OF CONTRIBUTIONS

The CARRA has been sending a statement of participation to all participants in RREGOP since the fall of 2011 which contains the details on the contributions to the pension plan for a given year as well as estimates of the pension annuity. This statement also contains information on indexation, death, recognized service and the contributions paid.

Upon request, the CARRA sends a statement of contributions to the pension plan. It presents the participation history in RREGOP. The information contained in these two documents is important, because the pension annuity is calculated based on this information. An employee must carefully verify the content of the statement and, if there are errors, she must contact her employer in order to have them corrected.

ESTIMATE OF THE PENSION

The CARRA offers a tool to estimate the pension amount on its web site. You only need to have a statement of participation or a statement of contributions in hand.

The address is: <http://www.estnrente.carra.gouv.qc.ca/ChoixRegimes.aspx>

RIGHTS AND RECOURSES OF THE EMPLOYEE

If an employee disagrees with a decision from the CARRA concerning:

- Pension eligibility;
- Years of service;
- Pensionable earnings;
- The amount of the pension annuity;
- Applications for buy-backs;
- Any other benefit stipulated in the RREGOP plan;

she can ask that her case be re-examined. This request must be made in the year that follows the decision from the CARRA. The request is studied by a committee without the presence of the employee and it will render a new decision.

In the case where the committee cannot arrive at a decision because of a tie-vote, the request is automatically referred to arbitration. If the committee's decision confirms the CARRA'S decision, the employee can once again appeal this decision with a request for arbitration. An employee has 90 days from the date of the committee's decision to make such a request. The arbitration is a hearing where the employee can be heard as a witness. She can be represented or not at this hearing.

GRADUAL RETIREMENT PROGRAMME

The purpose of the progressive retirement programme is to allow an employee, who holds a full-time or part-time position, to reduce her work time during the years that precede her retirement (Article 24 c. a.).

1. ELIGIBILITY

An employee who wants to benefit from a progressive departure must hold a full-time or part-time position and be no more than 5 years away from pension eligibility.

She must first obtain a statement from the CARRA indicating that she will be eligible for a pension annuity at the end of the agreement. To do this, the employee must complete the form, "Application for gradual retirement" (267).

2. LENGTH OF THE AGREEMENT AND WORK TIME

The minimum length of the programme must be 12 months and the maximum length 60 months preceding eligibility for retirement.

At the end of the agreement, the employee must retire. However, if the estimate made by the CARRA is erroneous and the credited service is insufficient for the employee to take her retirement or, if for other reasons (suspension, strike), the employee is not eligible for her retirement, the agreement is extended until the employee is eligible for her retirement, even if the 5-year period has expired.

The percentage of work time must not be less than 40% or more than 80% of a full-time position on an annual basis. The request must be made in writing at least 90 days before the beginning of the agreement indicating the length of the programme. The organization and percentage of work time must be agreed to between the employee and the employer and can vary during the agreement. The employer and the employee can agree during the agreement to change the organization and percentage of work time. The agreement between the employee and the employer is signed by both parties and a copy is given to the union.

3. CONTRIBUTION

During the agreement, the contributions to RREGOP are established on the basis of the evolving pensionable earnings and the employee's work time before the agreement. If the employee receives salary insurance, the waiver of contributions to her pension plan is that which she would have had if she had not taken advantage of the progressive retirement programme.

4. REMUNERATION

During the agreement, the employee receives pay equivalent to the time worked. During a period of disability, she receives salary insurance benefits calculated according to the agreed upon organization and annual percentage of work time.

5. THE EMPLOYEE'S RIGHTS AND BENEFITS

An employee is credited, for the purposes of pension eligibility and calculation of her annuity, the full-time or part-time service that she worked before the beginning of the agreement. An employee keeps her position during the agreement and continues to accumulate her seniority as she would if she did not participate in the programme.

Accumulated sick-leave days (old bank) can be used to reduce the work time stipulated in the agreement.

6. TERMINATION OF THE AGREEMENT

6.1 Nullity of the agreement

The agreement becomes null and void in the following circumstances:

- The time worked is less than 40% of a full-time employee;
- An employee voluntarily ceases to participate in the RREGOP plan (retirement or resignation) during the first year of the agreement;
- An employee who is eligible for a pension does not stop participating in her plan at the end of the period covered by the agreement.

When the agreement becomes null and void, the pensionable salary, the recognized service and the contributions for the period between the starting date and the cancellation date of the agreement are corrected downward to correspond to the salary paid and the time worked or that would have been worked if the employee had not been on disability.

The employer informs the CARRA that the agreement is cancelled and makes the necessary corrections. Generally, the corrections bring about an over-payment of contributions which are reimbursed. An employee can buy back the period during which she did not work if she meets the conditions for a buy-back of an unpaid absence.

6.2 Anticipated end to the agreement

The agreement reached between the employer and the employee ends for one or the other of the following circumstances:

- The employee's death;
- The employee voluntarily ceases to participate in the RREGOP plan (retirement or resignation) more than one year after the beginning of the agreement;
- The employee and the employer jointly agree to end the agreement more than one year after the date set for the beginning of the agreement;
- The employee's dismissal;
- The employee's disability extends beyond 3 years and if, during the first 2 years of this disability, she was eligible for salary insurance benefits.

When the agreement ends for one of the previously listed circumstances, the pensionable salary, the service and the contributions for the period between the beginning date and the end date of the agreement, are completely recognized according to the terms of the agreement.

If the employer refuses a healthcare professional's request for access to this programme, she should inform her union of this.

DEATH BENEFITS

PAYABLE UNDER THE PENSION PLAN

The death benefit is payable to the spouse or, if she does not have a spouse, to her legal heirs. The **spouse** is the person linked to the employee or the retiree by a marriage or civil union. If one or the other of the spouses is not married, the spouse may be the person with whom she cohabits for at least 3 years and who is publicly presented as her spouse. The 3-year delay becomes 1 year if a child of the couple is born or is to be born, they have adopted a child or if one of them adopted the other's child.

Legal heir(s) is/are the person/people to whom the estate is left through a will or the law.

1. SPOUSAL WAIVER

Since May 7, 2008, it is possible for the spouse to waive his right to the benefits granted to a spouse for the legal heirs, before the person dies. He may also revoke this waiver. This waiver does not change the rules established in the case of death. Thus, in no case will the legal heirs not receive an annuity.

To be valid, the waiver or its removal must apply to all benefits and be indicated to the CARRA by a notice received before the death. The spouse's waiver will be automatically cancelled if, at the time of the retiree's death, there is no reimbursement due to the legal heirs. In this case, the spouse receives 50% of the coordinated pension annuity that the retiree received.

2. BASIC PENSION

The benefit payable varies according to whether it is a participant who is eligible or not for a pension annuity at the time of death or is a retiree.

The participant who is ineligible for a pension annuity is the employee who, at the time of her death, has not acquired one of the eligibility criteria for retirement, to be age 55 or have 35 years of service.

If, at the time of death, the participant has **less than 2 years of service**, her spouse receives, upon request, or failing a spouse, her legal heirs, all the contributions paid with interest compounded annually until the date of reimbursement.

If, at the time of death, a participant has **more than 2 years of service**, her spouse receives, upon request or, failing a spouse, her legal heirs, the higher of the following amounts:

- All the contributions paid with accumulated interest up to the date of death;
- The actuarial value of the deferred annuity at the time of death.

This amount is increased by the interest compounded annually from the time of death until the date of reimbursement.

When the employee ceases to participate in RREGOP and she then dies, the rules previously described apply according to the listed criteria, that is, less or more than 2 years of service at the time she stopped participating.

The spouse of a **participant eligible for a pension annuity**, with or without actuarial reduction at the time of her death and who is not retired, is entitled to receive, for his lifetime, 50% of the annuity that would have been paid to the employee at the time of her death. This annuity will immediately be coordinated with the QPP regardless of the participant's age at the time of death.

If, at the time of death, the participant does not have a spouse or he has waived his right to the annuity, the paid contributions plus interest compounded annually are reimbursed to her legal heirs.

When the deceased person is **receiving pension benefits**, her spouse receives, for his lifetime, half the annuity that the retiree received. The annuity will be immediately coordinated with the QPP even if the death occurs before the age of 65.

If the retiree does not have a spouse or he waived his right to the annuity, the balance of the contributions will be paid, with interest, to the legal heirs.

3. SERVICE PRIOR TO JOINING RREGOP

3.1 Pension credit obtained following a buy-back of previous service

The pension credit obtained following a buy-back of service prior to RREGOP will be reimbursed in the following manner:

- Whether the **participant is eligible or ineligible for a pension annuity**, the amount paid to get the pension credit is reimbursed, with interest, to the spouse. If there is no spouse, the amount is paid to the legal heirs.
- When the person is **receiving pension benefits**, the difference between the amount paid to get the pension benefit including interest, and the amount already paid as an annuity, is reimbursed to the spouse, or failing this, to the legal heirs.

3.2 Pension credit obtained following a transfer from a SPP

When a **participant is not eligible for a pension annuity**, the contributions paid and transferred to the CARRA are reimbursed to the surviving spouse, or failing a spouse, to the legal heirs with interest until the date of reimbursement.

The surviving spouse of a **participant eligible for a pension annuity** or of the **retiree** will receive 50% of the pension credit recalculated to age 65. If there is no spouse, the legal heirs receive the contributions paid and transferred including the interest accrued to the date of reimbursement less the amounts already paid as an annuity.

3.3 Revaluation of the pension credit

In the case of death, only the additional life annuity obtained following the revaluation of a pension credit will be considered in the calculation of the annuity paid to the spouse and according to the same rules as the RREGOP annuity. Thus, the spouse will receive 50% of the life annuity in the case where the participant was eligible for a pension annuity or received pension benefits at the time of death.

PAYABLE UNDER THE LIFE INSURANCE PLAN STIPULATED IN THE COLLECTIVE AGREEMENT

The healthcare professionals' collective agreement stipulates a basic life insurance benefit, payable to the heirs, if at the time of death an employee still has an employment relationship with her employer and she meets certain conditions stipulated in her working conditions.

This insurance is \$6,400 if an employee is hired full-time or at 70% of full-time in a permanent or temporary job.

The amount is \$3,200 for a part-time employee who works less than 70% of full-time.

Lastly, an employee who works less than 25% of full-time does not receive any insurance, unless she has chosen to be insured and if that is the case, the amount is \$3,200.

It is the CARRA who is in charge of the administration and payment of this insurance to the heirs.

PAYABLE UNDER THE GROUP INSURANCE CONTRACT

The insurance contract approved by the FIQ for its members with the *Desjardins Sécurité financière*, stipulates the payment of an amount of \$5,000 payable to the designated beneficiary in the event of the death of the participant.

Thus, as long as an employee is covered by the basic life insurance coverage stipulated in the contract, an amount of \$5,000 is paid in the event of death.

RETURN TO WORK OF A RETIREE

Specific conditions apply when a retiree returns to work in a function covered by the RREGOP plan. She must tell the employer that she is a retiree and he must advise the CARRA of the employee's return to work.

When a retiree returns to work, she no longer contributes to her pension plan, regardless of her age, and receives both her pension annuity and her salary. This rule comes from the legislative changes passed in December 2007 and put into effect retroactively to January 1, 2007.

The retiree who benefited from the temporary retirement measures benefits from the same rules, without losing the rights and privileges obtained from these temporary measures.

MARRIAGE BREAK-UP AND DIVISION OF FAMILY PATRIMONY

The assets accumulated in a pension plan during a marriage or civil union are part of the family patrimony and are subject to the sharing of assets. Married spouses or spouses of civil unions are covered by this provision. An application must be made to the CARRA to find out the value of the assets accumulated during the marriage.

This application can be made by one or the other of the spouses or their legal representatives as soon as proceedings are instituted for a divorce, separation from bed and board, marriage annulment or for the payment of compensatory benefits, or for dissolution or annulment of a civil union.

The CARRA will establish the value of the accumulated assets in the plan between the date of marriage or civil union and one of the following situations:

- The date the proceedings were instituted for divorce, separation from bed and board, marriage annulment or payment of compensatory benefits, annulment or dissolution of civil union;
- The date of the end of life as a married couple if this decision is approved by judgment;
- The date determined by notarized agreement in the case of a dissolution of a civil union.

The CARRA will send both parties the answer to the application for evaluation of assets. If, in a judgment, the court concluded that the plan must be shared, an application for the payment of the value of benefits must be sent to the CARRA.

Following the application for payment, the CARRA informs the participant of the amount granted to the spouse and the reduction this will mean in her pension annuity. The spouse receives a confirmation of the amounts attributed to him: the amounts transferred must be done so into a pension contract, a LIRA, a LIF or, in some cases, a RRSP.

Once the amounts are transferred, the reduction is calculated and put in the participant's or retiree's file. It will reduce the amount of the retirement benefit that the participant will receive or that the retiree already receives.

LEAVING FOR RETIREMENT

When an employee foresees she will leave to retire, she must verify her statement of contributions with the CARRA and, if need be:

- The correctness of the information written on it;
- The date of eligibility for retirement;
- The amount that she will receive as a pension annuity.

She makes her buy-backs of service and her application for her pension at least 3 months prior to the expected date of retirement in order to avoid a period without any income. She must complete the application for a pension annuity.

QPP

The Quebec Pension Plan is a mandatory public insurance plan. All workers, 18 years and over, who earn more than \$3,500 per year, contribute to this plan. It is financed by both the employees' and employers' contributions. An employee stops contributing once she has definitively stopped work and retires.

1. CONTRIBUTION

The rate of contribution on January 1, 2015 was 5.25% of the salary between \$3,500 and \$53,600 for a maximum annual contribution of \$2,630.25. The employer pays the same contribution.

The contribution rate has been gradually increasing by 0.15% per year since January 1, 2012 until it will reach a rate of 10.80% in 2017.

2. BENEFIT

The amount of the pension annuity is calculated according to the work income indicated on the QPP statement of contributions since 1966 or since the worker was 18 years of age. The amount of the pension is equal to 25% of the average monthly income on which the employee's contributions are based, if the employee retires at age 65. This calculation is done by the *Régie* on the basis of the statement of contributions. The maximum pension for 2015 is \$1,065.00 per month.

Months with low earnings or no earnings at all are deducted from the calculation of the pension, which has the effect of raising the value. So, months during which the employee received a QPP disability benefit, income replacement indemnities from the CSST, family allowance for a child under 7 years and the months during which earnings were the lowest are deducted (up to 15% of the contribution period).

If a person worked elsewhere in Canada, the *Régie* takes into consideration the contributions to the Canada Pension Plan in establishing the retirement benefit.

3. ELIGIBILITY FOR A PENSION ANNUITY

A worker may receive her pension annuity as of age 60 if she has contributed for at least one year to the Québec Pension Plan even if she has not stopped working.

The amount of your pension varies depending on if you start receiving it before or after your 65th birthday. Therefore, the amount of your pension is reduced if it starts before you reach age 65 and it is increased if it starts after you have reached age 65.

The pension annuity is not reduced or increased **at age 65**. This is the normal age for retirement.

If, **after age 65**, a person delays the payment of her pension past the age of 65, it is currently increased by 8.4% per year (0.7% per month) for every year or month between the age of 65 and the start of the payment of the pension, without going beyond age 70.

Between the age of 60 and 65, the pension annuity is currently permanently reduced.

For **the people born before January 1, 1954**, the reduction is 6% per year (0.5% per month) between the date the payment of the pension starts and the date of the 65th birthday.

For **the people born in 1954 or after**, the reduction varies from 6% to 7.2% per year (0.5% to 0.6% per month) depending on the amount of the pension paid.

The higher the pension paid, the higher the reduction. This measure will gradually apply between 2014 and 2016.

4. INDEXATION

The pension annuity is indexed by the consumer price index (CPI) on January 1st of each year.

5. APPLICATION FOR A PENSION

The payment of the pension annuity is not automatic: an application must be made. It is recommended that this application be made 4 months in advance in order to avoid delays in payment.

6. STATEMENT OF CONTRIBUTIONS

It is important to verify that the information contained in the statement of contributions is correct. It needs to be corrected by the *Régie* as soon as possible if it is incorrect. It is this information that is used to calculate the pension.

7. MARRIAGE OR CIVIL UNION BREAK-UP

For those who are married or part of a civil union, work income indicated on the record of contributions during the marriage or civil union is subject to the sharing of family patrimony.

If an employee obtains a divorce, a separation of bed and board, a marriage annulment, a dissolution or annulment of a civil union, there is an automatic sharing of the work income indicated on the record unless one party has expressly waived it at the time of the sharing of patrimony. Contact the *Régie* for more information concerning this waiver.

Even if common-law spouses are not subject to the law on family patrimony, they can **jointly** apply for the sharing of the work income indicated on their statements of contribution.

To be entitled, they must:

- Have cohabited as husband and wife for at least 3 years or 1 year if they had a child or adopted a child;
- Have been separated at least 12 months;
- Separated after June 30, 1999;
- Not yet be re-married or in a civil union with another person.

8. DEATH

When the spouse dies, survivor benefits are paid if the deceased spouse contributed for at least one third of the pensionable period and, at least, for 3 years, or for at least 10 years.

It is understood that spouses mean persons married or part of a civil union and common-law spouses, those that live in a matrimonial life together for at least 3 years, or 1 year if a child is born of their union or adopted.

Survivor benefits include death benefits, the orphan's pension and the surviving spouse's pension.

The death benefit consists of a one-time payment of \$2,500. The application must be made within 5 years of the death.

The orphan's pension may be paid if, at the time of death, the other spouse had a dependent child under 18 years of age.

The surviving spouse's pension is aimed at ensuring a basic income for the survivor of a person who worked and is now dead. Same-sex spouses are also eligible following any death that occurred as of April 4, 1985.

- If the person who dies was married: the surviving spouse's pension is paid to the spouse of that person, as long as there was no legal separation.
- If the person was not married or was legally separated: the pension is paid to the person who qualifies as the de facto spouse.
- If, when the person died no one had been living in a de facto union with that person for at least 3 years: the pension is paid to the legally separated spouse, if the separation took place before July 1, 1989.
- If there no de facto spouse qualifies and there was a waiver of the sharing of earnings recorded at the *Régie*: the pension is paid to the spouse who is legally separated if the separation took place between July 1, 1989 and December 31, 1993. There can be no other judgment of separation that took effect after December 31, 1993.

The surviving spouse's pension benefits depend on several factors:

- The contributions paid by the deceased spouse over the course of her life;
- The age of the surviving spouse;
- The surviving spouse has dependent children;
- The surviving spouse is disabled;
- The surviving spouse receives a disability or pension annuity from the QPP.

A person may be entitled to more than one pension at the same time, however she will only receive one payment. This is what is called a combined pension. The latter is subject to a maximum amount set by the law, which means it may not be equal to the total of the two pensions. A person, who, at age 65, receives the maximum pension annuity from the QPP, because of her age at the time she started receiving it, may see her surviving spouse's pension reduced to zero.



OAS

The OAS pension is a monthly benefit paid upon request to all persons aged 65 and over and who meet the eligibility criteria. It is a federal plan financed by the general tax revenues of the Canadian government.

1. ELIGIBILITY

Any person, 65 years and over, who has lived in Canada for at least 10 years after the age of 18, is entitled to OAS benefits. To be entitled to the full benefit, you must have lived in Canada for 40 years after having reached the age of 18, or meet a certain number of other conditions. Consult the Service Canada website to find out more about these conditions.

If a person is not eligible for a complete pension, she may be entitled to a partial pension which generally corresponds to 1/40th of a complete pension per complete year of residence in Canada after having reached the age of 18.

It is not necessary to be retired to receive the OAS.

Change to the eligibility age

The Old Age Security pension and the guaranteed income supplement will gradually increase from age 65 to age 67 as of April 2023 and until January 2029. This change will affect the people born in 1958 or after.

2. BENEFIT

The maximum OAS monthly benefit has been \$563.74 since January 1, 2015. The pension is indexed every 3 months by the consumer price index and it is taxable.

Retirees whose personal net income is higher than \$70,954 must reimburse a part or all of the maximum amount of the OAS. All of the pension is recoverable when the net income of the retiree is at least \$114,815.

3. APPLICATION

To receive the OAS benefits on time, it is recommended to send the application 6 months before your 65th birthday. An application kit can be printed from the Service Canada website or call the following number: 1-800-277-9915.

Other programmes can add to the OAS, such as the guaranteed income supplement, the spouse's allowances and the widow's allowance. Check your eligibility.

RRSP

The RRSP is a deferred income plan that is the most frequently used form of tax shelter. This choice of investment makes it possible to avoid paying income tax on part of your income and the interest it generates until the RRSP is withdrawn. The tax saving depends on the person's marginal tax rate. A RRSP account can be opened with a financial institution, a securities broker, a life insurance company, and trust companies.

1. ELIGIBILITY

Any person between the age of 18 and 71 who has the right to contribute to a RRSP is eligible.

2. CONTRIBUTION LIMIT

The RRSP maximum deduction limit for 2015 is \$24,930. However, if an employee has not used her maximum deductions for 1991 and the ensuing years, the part not used will be carried over to the next year. Thus, your maximum deduction limit may be more than \$24,930. This maximum will be \$25,370 in 2016.

An employee can find out what her maximum contribution to RRSP's can be by consulting her most recent record of contributions sent by Canada Revenue following the processing of her last income tax submission.

Because of contributions to a pension plan, the maximum contribution that can be paid into a RRSP is determined by taking into consideration the Equivalence Factor (EF), which is calculated by the employer and written on the income tax slip and on the tax assessment notice.

APPENDIX 1

RATE APPLICABLE TO BUY BACK AN UNPAID ABSENCE AND A BUY-BACK OF SERVICE IN A RESEARCH CENTRE

Employee's age on the date the application for a buy-back is received	Period of service covered by the buy-back		
	Before July 1, 1982	After June 30, 1982 and before January 1, 2000	After December 31, 1999
18	10.4%	8.2%	9.0%
19	10.7%	8.4%	9.2%
20	10.9%	8.6%	9.4%
21	11.2%	8.8%	9.6%
22	11.4%	9.0%	9.8%
23	11.6%	9.1%	10.0%
24	11.8%	9.3%	10.2%
25	12.1%	9.5%	10.5%
26	12.4%	9.8%	10.8%
27	12.8%	10.1%	11.1%
28	13.1%	10.3%	11.4%
29	13.3%	10.5%	11.6%
30	13.5%	10.6%	11.7%
31	13.6%	10.7%	11.8%
32	13.7%	10.8%	11.9%
33	13.8%	10.9%	12.0%
34	13.9%	11.0%	12.0%
35	14.0%	11.1%	12.2%
36	14.1%	11.2%	12.3%
37	14.4%	11.4%	12.5%
38	14.7%	11.6%	12.8%
39	15.0%	11.9%	13.1%
40	15.4%	12.2%	13.4%
41	15.8%	12.6%	13.8%
42	16.3%	12.9%	14.1%
43	16.7%	13.2%	14.5%
44	17.0%	13.5%	14.8%
45	17.4%	13.8%	15.1%
46	17.7%	14.1%	15.4%
47	18.0%	14.3%	15.7%
48	18.3%	14.6%	16.0%
49	18.8%	15.0%	16.4%
50	19.4%	15.5%	17.0%
51	20.0%	16.0%	17.5%
52	20.7%	16.5%	18.1%
53	21.3%	17.0%	18.7%

54	21.7%	17.3%	19.0%
55	21.9%	17.6%	19.3%
56	22.3%	17.9%	19.6 %
57	22.5%	18.2%	19.9%
58	22.7%	18.4%	20.1%
59	22.7%	18.5%	20.2%
60	22.3%	18.2%	19.9%
61	21.8%	17.9%	19.5%
62	21.3%	17.6%	19.1%
63	20.9%	17.3%	18.8%
64	20.4%	17.0%	18.4%
65	19.9%	16.7%	18.1%
66	19.4%	16.4%	17.6%
67	18.9%	16.0%	17.2%
68	18.4%	15.7%	16.8%
69	17.9%	15.3%	16.4%

APPENDIX 2

RATE APPLICABLE TO BUY BACK AN UNPAID ABSENCE FOR A MATERNITY, PATERNITY OR ADOPTION LEAVE IN PROGRESS ON JANUARY 1, 1991 OR WHICH STARTED AFTER THAT DATE

Employee's age on the date the application for a buy-back is received	Period of service covered by the buy-back		
	Before July 1, 1982	After June 30, 1982 and before January 1, 2000	After December 31, 1999
18	5.20%	4.10%	4.50%
19	5.35%	4.20%	4.60%
20	5.45%	4.30%	4.70%
21	5.60%	4.40%	4.80%
22	5.70%	4.50%	4.90%
23	5.80%	4.55%	5.00%
24	5.90%	4.65%	5.10%
25	6.05%	4.75%	5.25%
26	6.20%	4.90%	5.40%
27	6.40%	5.05%	5.55%
28	6.55%	5.15%	5.70%
29	6.65%	5.25%	5.80%
30	6.75%	5.30%	5.85%
31	6.80%	5.35%	5.90%
32	6.85%	5.40%	5.95%
33	6.90%	5.45%	6.00%
34	6.95%	5.50%	6.00%
35	7.00%	5.55%	6.10%
36	7.05%	5.60%	6.15%
37	7.20%	5.70%	6.25%
38	7.35%	5.80%	6.40%
39	7.50%	5.95%	6.55%
40	7.70%	6.10%	6.70%
41	7.90%	6.30%	6.90%
42	8.15%	6.45%	7.05%
43	8.35%	6.60%	7.25%
44	8.50%	6.75%	7.40%
45	8.70%	6.90%	7.55%
46	8.85%	7.05%	7.70%
47	9.00%	7.15%	7.85%
48	9.15%	7.30%	8.00%
49	9.40%	7.50%	8.20%
50	9.70%	7.75%	8.50%
51	10.00%	8.00%	8.75%
52	10.35%	8.25%	9.05%
53	10.65%	8.50%	9.35%

54	10.85%	8.65%	9.50%
55	10.95%	8.80%	9.65%
56	11.15%	8.95%	9.80%
57	11.25%	9.10%	9.95%
58	11.35%	9.20%	10.05%
59	11.35%	9.25%	10.10%
60	11.15%	9.10%	9.95%
61	10.90%	8.95%	9.75%
62	10.65%	8.80%	9.55%
63	10.45%	8.65%	9.40%
64	10.20%	8.50%	9.20%
65	9.95%	8.35%	9.05%
66	9.70%	8.20%	8.80%
67	9.45%	8.00%	8.60%
68	9.20%	7.85%	8.40%
69	8.95%	7.65%	8.20%

APPENDIX 3

RATE APPLICABLE TO BUY BACK SERVICE AS AN OCCASIONAL EMPLOYEE

Employee's age on the date the application for a buy-back is received	Period of service covered by the buy-back	
	Before July 1, 1982	After June 30, 1982
18	4.33%	4.10%
19	4.46%	4.20%
20	4.54%	4.30%
21	4.67%	4.40%
22	4.75%	4.50%
23	4.83%	4.55%
24	4.92%	4.65%
25	5.04%	4.75%
26	5.17%	4.90%
27	5.33%	5.05%
28	5.46%	5.15%
29	5.54%	5.25%
30	5.63%	5.30%
31	5.67%	5.35%
32	5.71%	5.40%
33	5.75%	5.45%
34	5.79%	5.50%
35	5.83%	5.55%
36	5.88%	5.60%
37	6.00%	5.70%
38	6.13%	5.80%
39	6.25%	5.95%
40	6.42%	6.10%
41	6.58%	6.30%
42	6.79%	6.45%
43	6.96%	6.60%
44	7.08%	6.75%
45	7.25%	6.90%
46	7.38%	7.05%
47	7.50%	7.15%
48	7.63%	7.30%
49	7.83%	7.50%
50	8.08%	7.75%
51	8.33%	8.00%
52	8.63%	8.25%
53	8.88%	8.50%
54	9.04%	8.65%

55	9.13%	8.80%
56	9.29%	8.95%
57	9.38%	9.10%
58	9.46%	9.20%
59	9.46%	9.25%
60	9.29%	9.10%
61	9.08%	8.95%
62	8.88%	8.80%
63	8.71%	8.65%
64	8.50%	8.50%
65	8.29%	8.35%
66	8.08%	8.20%
67	7.88%	8.00%
68	7.67%	7.85%
69	7.46%	7.65%

APPENDIX 4

QPP - MAXIMUM PENSIONABLE EARNINGS (MPE)

Year	MPE
2015	\$53,600
2014	\$52,500
2013	\$51,100
2012	\$50,100
2011	\$48,300
2010	\$47,200
2009	\$46,300
2008	\$44,900
2007	\$43,700
2006	\$42,100
2005	\$41,100
2004	\$40,500
2003	\$39,900
2002	\$39,100
2001	\$38,300

APPENDIX 5

QPP DATA 2013-2015			
Pension plan			
Basic Data	2013	2014	2015
Maximum pensionable earnings	\$51,100	\$52,500	\$53,600
General exemption	\$3,500	\$3,500	\$3,500
Contribution rate	10.20%	10.35 %	10.50 %
Maximum contribution for an employee and for an employer ³	\$2,427.60	\$2,535.75	\$2,630.25
Maximum contribution for an independent employee ⁴	\$4,855.20	\$5,071.50	\$5,260.50
Pension indexation rates on January 1	1.8%	0.9%	1.8%
Maximum monthly pension amounts			
Pension annuity			
• Age 65	\$1,012.50	\$1,038.33	\$1,065.00
• Age 60	\$708.75		\$707.16
• Age 60 for the people born in 1954		\$708.14	
• Age 60 for the people born in December 1953		\$726.83	
• Age 70	\$1,437.75	\$1,474.43	\$1,512.30
Surviving spouse`s pension			
• Under age 45			
- not disabled, without dependent child	\$495.83	\$506.56	\$518.68
- not disabled, with dependent child	\$800.76	\$814.23	\$831.89
- disabled, with or without dependent child	\$833.18	\$846.94	\$865.19
• Between age 45 and 64	\$833.18	\$846.94	\$865.19
• Age 65 and over	\$607.50	\$623.00	\$639.00
Disability pension	\$1,212.87	\$1,236.32	\$1,264.56
Additional amount for disability intended for the beneficiaries of the pension annuity	\$453.49	\$457.57	\$465.81
Orphan`s pension	\$228.66	\$230.72	\$234.87
Pension for a child of a disabled person	\$72.60	\$73.25	\$74.57
Death benefit	\$2,500	\$2,500	\$2,500

³ Rate of 5.10% for 2013, 5.175% for 2014 and 5.25% for 2015 for an employee and for an employer.

⁴ Rate of 10.20% for 2013, 10.35% for 2014 and 10.50% for 2015.

APPENDIX 6

EVOLUTION OF THE RREGOP CONTRIBUTION RATES

YEAR	RATE	MPE
1973 to 1982 (July)	7.5%	35%
1982 to 1983	7.1%	35%
1984 to 1992	7.0%	35%
1993 to 1995	7.68%	35%
1996 to 1999	7.95%	35%
2000 to 2004	5.35%	35%
2005 to 2007	7.06%	35%
2008 to 2010	8.19%	35%

YEAR	RATE	MPE	RATE	MPE
2011	8.69%	35%		
2012	9.19%	35%	8.94%	33%
2013	9.69%	35%	9.18%	31%
2014	10.71%	35%	9.84%	29%
2015	11.73%	35%	10.50%	27%
2016	12.75%	35%	11.12%	25%