

Note: Employment as an independent contractor, a returning officer during a federal election, or as a census commissioner or enumerator is not normally considered re-employment for superannuation purposes, however the terms and conditions of an individual's employment would have to be examined by the Superannuation Division in some cases to determine whether it constituted re-employment for superannuation purposes.

If a contributor has become entitled to a return of contributions but becomes a contributor again before it is actually paid, he is no longer entitled to that return of contributions. He simply starts building again on the service that he had to his credit before, and his final benefit will depend, in the usual way, on the circumstances of his next termination. If a person receives an annual allowance and again becomes a contributor, his subsequent benefit is affected by any amounts he received prior to re-employment as a contributor.

It is also important to note what happens when an individual who is in receipt of an annuity becomes re-employed in the Public Service.

If a person is re-employed and does not become a contributor, as defined in the Act, he may, while so employed, receive during any three-month period beginning the first day of January, April, July or October, both his salary and annuity, provided the sum of both does not exceed three times the salary he earned during the last full calendar month of his employment prior to retirement.

If this sum exceeds three times his last full month's salary, his annuity will be reduced by the amount of the excess. This means that if a person's last full month's salary was \$400 and his gross monthly pension is \$150 he could earn \$750 in the three month period before his annuity would be affected since \$750 is the difference between \$1200 ($3 \times \400) and \$450 ($3 \times \150). After he earns that amount, any additional salary will result in a corresponding reduction in the amount of his annuity.

If, however, the re-employed person again becomes a contributor (this will depend on the nature of his employment) his annuity or allowance is stopped and ordinarily a new one based on the combined periods of service will be payable when he again retires. If the first one was computed on the basis of the five-year average salary that was possible for contributors under earlier legislation, or included a period of free service, he would be given the choice of two annuities on the two separate periods of service or of a single annuity on the present basis, that is, on the highest average salary in a six-year period for the combined periods of service. If the circumstances permit him, or force him, to accept a return of his contributions, then that is limited to his new period of service and his old annuity will be resumed.