

Coverage

Every full-time employee in the Public Service who was engaged in Canada and whose annual rate of salary is \$900 or more will become a contributor to the pension fund, known as the Superannuation Account, after not more than one year of substantially continuous employment. As the name implies, the term "Public Service" covers more than the Civil Service proper and includes, for example, positions in or under the Senate, House of Commons, and the Library of Parliament as well as certain other portions of the public service which are listed in a schedule to the Act. On the other hand, where a person, such as a member of the R.C.M.P., is specifically covered by the provisions of some other federal government pension plan and continues in that employment until he retires, he will continue to contribute and have his ultimate benefits determined in accordance with the other plan. Others who previously had the choice of remaining under some existing plan rather than of coming under the Civil Service Superannuation Act and chose to remain there will continue under the other plan. That refers to those pre-1924 plans which some of the older civil servants prefer to remain under rather than to come under the 1924 Act.

Sessional employees will not become contributors but prevailing rate and seasonal employees will do so upon designation by the Governor in Council.

CONTRIBUTIONS AND PENSIONABLE SERVICE

Contributions for Current Service

The contributions for current service will be on the basis of 6% of salary for males and 5% for females. These contributions must be made so long as the contributor is employed but not after he has thirty-five years of pensionable service to his credit. It should be noted that even then the contributor is referred to as a "contributor" although he will no longer be required to contribute for his current service. The upper limit of salaries for both contribution and benefit purposes is \$15,000. If their salary is over \$15,000, they only pay as if they were getting \$15,000.

On and after August 1, 1957, no further contributions will be made by anyone who has attained his sixty-fifth birthday. From then on, too, a person who has contributed to two or more federal government pension schemes, such as the R.C.M.P. one and this one, will stop contributing and adding on years of pensionable service for benefit purposes if the combined periods of pensionable service to his credit exceed thirty-five years.

Pensionable Service

The benefit formulæ which will be described later depend on the number of years of pensionable service to a contributor's credit. This pensionable service is divided into the two categories of non-elective, or service which is automatically credited, and elective, for which an election and contributions have to be made in accordance with certain requirements before it can be included in the pensionable service to a contributor's credit when he ceases to be employed.

A contributor will not, of course, have to elect to contribute for his current service and any prior service to his credit on the transition from the old to the new Acts will be carried forward. Thus all the varieties of pensionable service which contributors to the Superannuation Account under the Civil Service Superannuation Act have acquired from time to time in the past will be automatically picked up. Elections made to pay for prior service under the old Act will be valid under the new one and the contributions will be continued on the same basis as before. The portion of his prior service which would be covered by the transfer of a contributor's credits in the retirement fund also falls in the category of non-elective pensionable service.