

SUPERANNUATION

Coverage

The Public Service Superannuation Act ensures that every full-time employee over the age of eighteen will start to build up superannuation credits after six months of continuous employment. In most cases, employees will begin to contribute immediately upon appointment.

Contributions

The rate of contribution is approximately seven percent (7%) of salary for men and five and one half percent (5½%) for women. This amount also includes your contribution to either the Canada or Quebec Pension Plans and the Supplementary Retirement Benefits Plan. The Federal Government matches your contributions, pays the cost of administration, and makes additional contributions to meet the liabilities caused by general salary increases.

Contributions are deductible for income tax purposes up to a certain maximum. To determine the extent of deductibility, you should consult your District Taxation Office. See also section on registered pension plans.

The maximum period for which you may contribute is 35 years which includes any elective service you may have to your credit. In addition, a contributor who is entitled to or has been granted a benefit under other plans such as the Canadian Forces Superannuation Plan or the RCMP Plan, will stop contributing when his combined service amounts to 35 years.

Benefits Payable to Contributors

All superannuation benefits are directly related to service and salaries. As your number of years of pensionable service increases, and as you attain higher salary levels, the benefits which you and your dependents can expect to receive will increase accordingly. The following benefits are payable:

Immediate Annuity

- (a) This is a benefit, payable for life in monthly amounts, to which a person becomes entitled immediately upon retirement on account of age or disability. The basic formula for determining the amount of the annuity is:

two percent of average salary over the best six consecutive years multiplied by the number of years of contributory service to a maximum of 35. For example, if you were employed in the Public Service for 35 years and earned an average salary of