

INFO Bulletin

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Information Bulletin for Group Insurance Plan Administrators and Benefit Advisors



2009 Government Benefits

A number of federally- and provincially-legislated programs affect the administration and coverage available under private benefit plans. We are pleased to present you with an updated outline of the benefits provided under various legislated programs for 2009. If you require any additional information regarding these programs, we recommend that you consult the corresponding agency's website, which is listed at the end of each section.

1. Quebec Pension Plan (QPP) and Canada Pension Plan (CPP)

Unless otherwise indicated, QPP and CPP rates are the same. The listed figure represents the maximum pension amount.

Contributions	2008	2009	Benefits	2008	2009
Yearly maximum pensionable earnings (YMPE)	\$44,900	\$46,300	CPP monthly survivors' pension		
Basic annual exemption	\$3,500	\$3,500	Spouse under 65 years of age	\$493.28	\$506.38
Contribution rate (employer and employee; double for self-employed)	4.95%	4.95%	Spouse 65 years of age or older	\$530.75	\$545.25
Maximum annual contributions (employer and employee; double for self-employed)	\$2,049.30	\$2,118.60	Orphan (per child until age 18 or until age 25 if a student)	\$208.77	\$213.99
Benefits			QPP monthly disability pension		
QPP death benefit (lump sum)	\$2,500	\$2,500	Contributor	\$1,077.49	\$1,105.96
	6 times the retirement pension,	6 times the retirement pension,	Dependent child (per child)	\$66.29	\$67.95
CPP death benefit (lump sum)	Max \$2,500	Max \$2,500	CPP monthly disability pension		
QPP monthly survivors' pension			Contributor	\$1,077.52	\$1,105.99
Spouse under 45 years of age			Dependent child (per child)	\$208.77	\$213.99
• Not disabled with no dependent children	\$437.76	\$449.47	Maximum monthly retirement pension at age 65	\$884.58	\$908.75
• Not disabled with dependent children	\$716.15	\$734.82			
• Disabled with or without dependent children	\$745.77	\$765.18			
Spouse between 45 and 54 years of age	\$745.77	\$765.18			
Spouse between 55 and 64 years of age	\$745.77	\$765.18			
Spouse 65 years of age or older	\$530.75	\$545.25			
Orphan (per child until 18 years of age)	\$66.29	\$67.95			

Quebec Pension Plan website:

www.rrq.gouv.qc.ca/en/programmes/regime_rentes/

Canada Pension Plan website:

www.hrsdc.gc.ca/en/isp/cpp/cpptoc.shtml



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2. Employment Insurance

To be eligible for health, maternity or parental benefits under the *Employment Insurance Act*, an employee must have accumulated 600 insurable hours in the 52-week period preceding the claim. Health and maternity benefits are payable for a maximum of 15 weeks and parental leave benefits are payable for a maximum of 35 weeks. A combination of maternity, parental leave and health benefits can be paid up to a maximum of 65 weeks if specific conditions are met. The amount of the weekly benefit depends on the employee's earnings in the last 26 weeks of employment.

Since January 1, 2006, Quebec employees have had access to the Quebec Parental Insurance Plan (QPIP). Quebec-based employers and employees contribute to this program, which pays benefits for maternity, paternity, adoption and parental leaves. Therefore, Quebec taxpayers contribute slightly less to Employment Insurance, since this program no longer pays claims for maternity or parental benefits in Quebec.

Contributions	2008	2009	Benefits	2008	2009
Maximum annual insurable earnings	\$41,100	\$42,300	Basic benefit rate (% of average insurable earnings)	55%	55%
Employee contribution rate per \$100 of gross insurable earnings			Maximum weekly amount	\$435	\$447
- Outside Quebec	\$1.73	\$1.73	Last weeks of salary	26 weeks	26 weeks
- Quebec	\$1.39	\$1.38	Waiting period	2 weeks	2 weeks
Maximum annual employee contribution			Maximum duration of health benefits	15 weeks	15 weeks
- Outside Quebec	\$711.03	\$731.79	Tax status of benefits	Taxable	Taxable
- Quebec	\$571.29	\$583.74			
Employer contribution rate per \$100 of gross* insurable earnings					
- Outside Quebec	\$2.42	\$2.42			
- Quebec	\$1.95	\$1.93			
Maximum annual employer contribution					
- Outside Quebec	\$995.44	\$1,024.51			
- Quebec	\$799.81	\$817.24			

*Employers who offer their employees a qualified short-term disability plan are eligible for a reduction in their Employment Insurance contributions. Employers are required to return at least 5/12 of the savings generated by the premium reduction to all employees to whom the reduced rate applies.

Employment Insurance website:
<http://www.hrsdc.gc.ca/en/ei/menu/eihome.shtml>



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3. Workers' Compensation

Workers' compensation plans are governed by provincial legislation and financed by employers. In some provinces, participation in such plans is mandatory for certain employers or groups of workers. Premiums vary according to the type of industry and the size of the company or rating class in each province. Workers' compensation plans mainly provide for income replacement benefits, but can also reimburse certain medical costs. These benefits are not taxable.



Province	Maximum assessable earnings 2008	Maximum assessable earnings 2009	Disability benefits	Website
British Columbia	\$66,500	\$68,500	90% of net average income	www.worksafebc.com
Alberta	\$68,500	\$72,600	90% of net income	www.wcb.ab.ca
Saskatchewan	\$55,000	\$55,000	90% of net income	www.wcb.sask.com
Manitoba	\$77,000	\$83,000	90% of net average income, to a maximum of 90% of net actual income	www.wcb.mb.ca
Ontario	\$73,300	\$74,600	85% of net income	www.wsib.on.ca
Quebec	\$60,500	\$62,000	90% of net income	www.csst.qc.ca/portail/en/
New Brunswick	\$54,200	\$55,400	85% of net income	www.whscc.nb.ca
Nova Scotia	\$48,400	\$49,400	75% of net income for the first 26 weeks, 85% thereafter	www.wcb.ns.ca
Prince Edward Island	\$45,400	\$47,500	80% of net income for the first 38 weeks, 85% thereafter	www.wcb.pe.ca
Newfoundland and Labrador	\$49,295	\$50,379	80% of net income	www.whscc.nf.ca
Northwest Territories and Nunavut	\$70,600	\$72,100	90% of net income	www.wcb.nt.ca
Yukon	\$74,100	\$76,842	75% of gross income	www.wcb.yk.ca



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4. Provincial Health Insurance Plans

The federal and provincial governments share responsibility for Canada’s healthcare system. Healthcare services vary from province to province and the coverages provided are constantly being reviewed and revised. This section outlines the main changes that were made to Quebec’s health insurance plan in 2008.

- **Quebec**

Participation in Quebec’s government-sponsored prescription drug plan is mandatory for all residents who are not covered under a private group insurance plan. On July 1, 2008, the following changes were made to the plan’s contribution requirements:

	Before July 1, 2008	As of July 1, 2008
Monthly deductible	\$14.10	\$14.30
Co-insurance	30%	31%
Maximum annual contribution	\$904	\$927
Annual premium	\$557	\$570

As of January 1, 2009, the eligible maximum that can be applied to smoking cessation products under a group plan is as follows:

	Before January 1, 2009	As of January 1, 2009
Monthly deductible	\$630	\$650

FOR YOUR INFORMATION, BELOW IS A LIST OF PROVINCIAL HEALTH INSURANCE WEBSITE ADDRESSES.

- British Columbia**
www.gov.bc.ca/health
- Alberta**
www.health.gov.ab.ca
- Saskatchewan**
www.health.gov.sk.ca
- Manitoba**
www.gov.mb.ca/health
- Ontario**
www.health.gov.on.ca

- Quebec**
www.msss.gouv.qc.ca/en/
- New Brunswick**
www.gnb.ca/0051/index-e.asp
- Nova Scotia**
www.gov.ns.ca/health
- Prince Edward Island**
www.gov.pe.ca/health
- Newfoundland and Labrador**
www.health.gov.nl.ca/health

- Nunavut**
www.gov.nu.ca/health
- Northwest Territories**
www.gov.nt.ca/agendas/health/index.html
- Yukon**
www.hss.gov.yk.ca

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Special Edition

The INFO Bulletin is presented to you by Industrial Alliance.
This INFO Bulletin is also available on our website at www.inalco.com/groupinsurance under the Administrator Services section.