

# I N F O Bulletin

Information Bulletin for Group Insurance Plan Administrators and Benefit Advisors



## 2007 Government Benefits

Many federal and provincially-sponsored benefit programs impact the administration and coverage available under private benefit plans. We are therefore pleased to once again present you with an updated list of the benefits available under these programs. Should you require any additional information regarding benefits, we invite you to consult the corresponding agency's website, which are listed at the end of each section.

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

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

Contributions	2006	2007	Benefits	2006	2007
Yearly maximum pensionable earnings (YMPE)	\$42,100	\$43,700	CPP monthly survivors' pension		
Basic annual exemption	\$3,500	\$3,500	Spouse under 65 years of age	\$471.85	\$482.30
Contribution rate (employer and employee; double for self-employed)	4.95%	4.95%	Spouse 65 years of age or older	\$506.75	\$518.25
Maximum annual contributions (employer and employee; double for self-employed)	\$1,910.70	\$1,989.90	Orphan (per child until age 18 or until age 25 if a student)	\$200.47	\$204.68
<b>Benefits</b>			QPP monthly disability pension		
QPP death benefit (lump sum)	\$2,500	\$2,500	Contributor	\$1,031.02	\$1,053.74
CPP death benefit (lump sum)	\$2,500	\$2,500	Dependant child (per child)	\$63.65	\$64.99
QPP monthly survivors' pension			CPP monthly disability pension		
Spouse under 45 years of age			Contributor	\$1,031.05	\$1,053.77
• Not disabled with no dependent children	\$418.54	\$427.87	Dependent child (per child)	\$200.47	\$204.68
• Not disabled with dependent children	\$685.86	\$700.80	Maximum monthly retirement pension at age 65	\$844.58	\$863.75
• Disabled with or without dependent children	\$714.30	\$729.84			
Spouse between 45 and 54 years of age	\$714.30	\$729.84			
Spouse between 55 and 64 years of age	\$716.31	\$729.84			
Spouse 65 years of age or older	\$506.75	\$518.25			
Orphan (per child until 18 years of age)	\$63.65	\$64.99			

Quebec Pension Plan website:  
[www.rrq.gouv.qc.ca](http://www.rrq.gouv.qc.ca)

Canada Pension Plan website:  
[www.rhdsc.gc.ca/en/isp/cpp/cpptoc.shtml](http://www.rhdsc.gc.ca/en/isp/cpp/cpptoc.shtml)



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### 2. Employment Insurance

In order 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.



Contributions	2006	2007	Benefits	2006	2007
Maximum annual insurable earnings	\$39,000	\$40,000	Basic benefit rate (% of average insurable earnings)	55%	55%
Employee contribution rate per \$100 of gross insurable earnings			Maximum weekly amount	\$413	\$423
- Outside Quebec	\$1.87	\$1.80	Last weeks of salary	26 weeks	26 weeks
- Quebec	\$1.53	\$1.46	Waiting period	2 weeks	2 weeks
Maximum annual employee contribution			Maximum duration of health benefits	15 weeks	15 weeks
- Outside Quebec	\$729.30	\$720.00	Tax status of benefits	Taxable	Taxable
- Quebec	\$596.70	\$584.00			
Employer contribution rate per \$100 of gross* insurable earnings					
- Outside Quebec	\$2.62	\$2.52			
- Quebec	\$2.14	\$2.04			
Maximum annual employer contribution					
- Outside Quebec	\$1,021.02	\$1 008.00			
- Quebec	\$835.38	\$817.60			

\* Note that employers who offer their employees a qualified short-term disability plan are eligible for a reduction in Employment Insurance contributions, provided that the plan reduces EI benefits that would be payable if such a plan did not exist. Employers are required to return 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. Please note that these benefits are not taxable.



Province	Maximum assessable earnings 2006	Maximum assessable earnings 2007	Disability benefits	Website
British Columbia	\$62,400	\$64,400	90% of net average income	<a href="http://www.worksafebc.com">www.worksafebc.com</a>
Alberta	\$63,300	\$64,600	90% of net average income	<a href="http://www.wcb.ab.ca">www.wcb.ab.ca</a>
Saskatchewan	\$55,000	\$55,000	90% of net income	<a href="http://www.wcb.sask.com">www.wcb.sask.com</a>
Manitoba	\$66,500	\$71,000	90% of net average income	<a href="http://www.wcb.mb.ca">www.wcb.mb.ca</a>
Ontario	\$69,400	\$71,800	85% of net income	<a href="http://www.wsib.on.ca">www.wsib.on.ca</a>
Quebec	\$57,000	\$59,000	90% of net income	<a href="http://www.csst.qc.ca">www.csst.qc.ca</a>
New Brunswick	\$51,900	\$53,200	85% of net income	<a href="http://www.whscc.nb.ca">www.whscc.nb.ca</a>
Nova Scotia	\$45,100	\$46,700	75% of net income for the first 26 weeks 85% thereafter	<a href="http://www.wcb.ns.ca">www.wcb.ns.ca</a>
Prince Edward Island	\$43,300	\$44,700	80% of net income for the first 38 weeks 85% thereafter	<a href="http://www.wcb.pe.ca">www.wcb.pe.ca</a>
Newfoundland and Labrador	\$47,245	\$48,425	80% of net income	<a href="http://www.whscc.nf.ca">www.whscc.nf.ca</a>
Northwest Territories and Nunavut	\$67,500	\$69,200	90% of net income	<a href="http://www.wcb.nt.ca">www.wcb.nt.ca</a>
Yukon	\$69,500	\$73,200	75% of gross income	<a href="http://www.wcb.yk.ca">www.wcb.yk.ca</a>



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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 available coverage is constantly being reviewed and revised. This section outlines the main changes that were made to Quebec’s health insurance plan in 2006.

- **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, 2006, the following changes were made to the plan’s contribution requirements:

	Before July 1, 2006	As of July 1, 2006
Monthly deductible	\$11.90	\$12.10
Co-insurance	28.5%	29%
Maximum annual contribution	\$857	\$881
Annual premium	\$521	\$538

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

**British Columbia**  
[www.healthservices.gov.bc.ca](http://www.healthservices.gov.bc.ca)

**Alberta**  
[www.health.gov.ab.ca](http://www.health.gov.ab.ca)

**Saskatchewan**  
[www.health.gov.sk.ca](http://www.health.gov.sk.ca)

**Manitoba**  
[www.gov.mb.ca/health](http://www.gov.mb.ca/health)

**Ontario**  
[www.health.gov.on.ca](http://www.health.gov.on.ca)

**Quebec**  
[www.msss.gouv.qc.ca/en/index.php](http://www.msss.gouv.qc.ca/en/index.php)

**New Brunswick**  
[www.gnb.ca/0051/index-e.asp](http://www.gnb.ca/0051/index-e.asp)

**Nova Scotia**  
[www.gov.ns.ca/health](http://www.gov.ns.ca/health)

**Prince Edward Island**  
[www.gov.pe.ca/health/index.php3](http://www.gov.pe.ca/health/index.php3)

**Newfoundland and Labrador**  
[www.health.gov.nl.ca/health](http://www.health.gov.nl.ca/health)

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