Treasury Board of Canada Secretariat | Secrétariat du Conseil du Trésor du Canada

FEDERAL PUBLIC SERVICE PENSION PLAN at a Glance

Legislation

- The *Public Service Superannuation Act* (PSSA) governs the pension plan for employees of the Public Service of Canada

Funding

- The Plan is funded from contributions of the employer (Government of Canada) and plan members
- Since April 1, 2000, contributions are invested in the financial markets; Web site: **http://www.investpsp.ca/**

Operations

- Minister responsible for the plan: President of the Treasury Board
- Administrator of the plan: Minister of Public Works and Government Services Canada
- Publication: the booklet Your Pension Plan describes the main provisions of the plan
- A Report on the Public Service Pension Plan is published each year and is posted on the following Web site: **http://publiservice.tbs-sct.gc.ca/hr-rh/bp-rasp/index_e.asp**

Membership/Contributions

Employees appointed on an indeterminate basis (minimum 12 hours per week) or for terms of more than six months start participating in the plan from the beginning of their employment; term employees (six months or less) begin after completing six months of continuous employment

Contribution rates	2007	2008	2009	2010	2011	2012	2013
Earnings up to the maximum set by the CPP/QPP	4.6%	4.9%	5.2%	5.5%	5.8%	6.1%	6.4%
Earnings over the maximum set by the CPP/QPP	8.1%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%

Benefits

- Defined benefit plan; both contributions and benefits are coordinated with the Canada Pension Plan (CPP)/Quebec Pension Plan (QPP). Prior to age 65, the pensions are calculated as follows: 2% X number of years of pensionable service (maximum of 35) X average salary for 5 consecutive years of highest paid service. At age 65 or in case of disability, the Public Service pension is reduced to take into account the CPP/QPP pension
- Pensions fully indexed annually to take into account increases in the cost of living since termination date
- **Return of contributions**: payable to plan members who leave the Public Service with less than two years of pensionable service

  Immediate annuity: (unreduced pension) payable at age 60 with at least two years of pensionable service or at age 55 with 30 years of pensionable service or at any age if retirement is due to permanent disability
- **Deferred annuity**: payable at age 60

  Annual allowance (reduced pension): payable as early as age 50

  Survivor benefit: 1% X number of years of pensionable service X average salary of plan member; children's allowance is equal to one fifth of the survivor benefit (maximum of four fifths)

  Supplementary Death Benefit (term life insurance) equal to twice the annual salary of the plan member; coverage decreases by 10% each year starting at age 66 to a minimum of $10,000 by age 75; this minimum coverage is free beginning at age 65

Portability

- Transfer Value (termination of employment before age 50): lump sum value representing the present value of deferred pension; it must be transferred to another registered pension plan or to a locked-in retirement savings vehicle
- Plan members can add eligible prior service in order to increase their pension credits by "buying it back" or by transferring pension credits under another plan through a pension transfer agreement; a list of pension transfer agreements is posted on the following Web site: **http://publiservice.tbs-sct.gc.ca/hr-rh/bp-rasp/index_e.asp**

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