

# HEU FREQUENTLY ASKED QUESTIONS FOR PENSIONS



## MPP

MPP is a defined benefit plan for retirement for members under the FBA, CBA and many other collective agreements. If you want details on your account, you could log onto MPP and create your account. The MPP is a defined benefit plan. See below for the definition of a DB plan.

<https://mpp.pensionsbc.ca/>



## RRSP

**Registered retirement savings plan (RRSP)** – a retirement savings plan which you, your spouse or common-law partner may contribute to. Any income you earn in the RRSP is usually exempt from tax as long as the funds remain in the plan. You have to pay tax when you receive payments from the plan or withdraw from it.



## TFSA

**The Tax Free Savings Account (TFSA)** program was introduced as a way for individuals, ages 18 and older to save money, tax-free, throughout their lives. TFSA contributions are not subject to income tax, and any income generated or earned in the account is normally tax-free, even after it is withdrawn.

**You can hold a wide range of investments in a TFSA account, including:**

GICs, ETFs, stocks and bonds, mutual funds and high-interest savings accounts.

**For more information:**

<https://www.canada.ca/en/revenue-agency/services/forms-publications/publicationsrc4466/tax-free-savings-account-tfsa-guide-individuals.html>



## CPP

**The Canada Pension Plan (CPP)** retirement pension is a monthly, taxable benefit that replaces part of your income when you retire. If you qualify, you'll receive the CPP retirement pension for the rest of your life. To qualify you must:

- **BE AT LEAST 60 YEARS OLD**
- **HAVE MADE AT LEAST ONE VALID CONTRIBUTION TO THE CPP**

Valid contributions can be either from work you did in Canada, or as the result of receiving credits from a former spouse or former common-law partner at the end of the relationship.

If you are at least **65 years of age but under 70**, you can elect to stop contributing to the CPP. Contact Canada Revenue Agency for more information about this.

**If you worked outside of Canada, please see the section below about this.**

## OAS

Old Age Security (OAS) program is the Government of Canada's largest pension program. It is funded out of the general tax revenues of the Government of Canada. This means that you do not pay into it directly. You can defer applying for OAS until aged 71.

The OAS pension is a monthly payment available to seniors aged 65 and older who meet the Canadian legal status and residence requirements. You may need to apply to receive it.

<https://www.canada.ca/en/services/benefits/publicpensions/cpp/old-age-security/apply.html>



## GIS

The **Guaranteed Income Supplement (GIS)** provides a monthly non-taxable benefit to Old Age Security (OAS) pension recipients who have a low income and are living in Canada.

<https://www.canada.ca/en/services/benefits/publicpensions/cpp/old-age-security/guaranteed-income-supplement/allowance.html>



## HOW DO YOU ACCESS YOUR GOVERNMENT PENSION PLAN?

You go to the Canada Government website and open a My Service Canada Account.

<https://www.canada.ca/en/employment-social-development/services/my-account.html>



## WHAT HAPPENS IF I WORKED OUTSIDE OF CANADA FOR PART OF MY LIFE? HOW DOES THAT AFFECT MY PENSION?

There are social security agreements between Canada and other countries. It describes the conditions that an employment outside Canada has to meet to be pensionable under the Canada Pension Plan (CPP) when there is a social security agreement. It also explains how to apply for a certificate of coverage.

The legislative references in the social security agreements for Canada are to the Old Age Security Act and the Canada Pension Plan.



WEBSITE



LIST OF COUNTRIES

## HOW DOES CHILD REARING LEAVE AFFECT MY PENSION?

For MPP, if you hold a regular position at your worksite and are contributing to the MPP, you can pay your own portion and the employer will pay theirs, for the duration of your maternity leave.

<https://mpp.pensionsbc.ca/eligibility-for-buying-service-for-a-leave>

**For CPP**, you may be eligible to utilize the child rearing provision to claim for those years. Please go to their website to find out the details of this provision.

<https://www.canada.ca/en/services/benefits/publicpensions/cpp/child-rearing.html>



## WHAT HAPPENS TO MPP WHEN I TAKE A LEAVE OF ABSENCE?

MPP will allow you buy back service if you take a leave of absence. You will be responsible for your share and the Employers share of this time.

**You should check the MPP website on current rules.**

<https://mppensionsbc.ca/leaves-of-absence>

