

The Québec Pension Plan

A plan made for you



The Québec Pension Plan is a compulsory, public insurance plan that has been in operation since 1966. It provides basic financial protection in the event of retirement, disability or death. The Plan is funded by contributions made by workers and employers.

Who contributes to the Plan?

All workers aged 18 and over must contribute to the Plan once their annual employment earnings exceed 3 500 \$.

You now join some 3 900 000 workers who contribute to the Québec Pension Plan.

What does the Plan cost?

In 2012, the contribution rate for the Québec Pension Plan is 10,05%. If you are an employee, you pay half this rate and your employer pays the other half.

Important!

The contribution rate will increase by **0,15% a year**, until it reaches 10,80% in 2017.

There is a **maximum for the employment earnings** on which you can contribute to the Québec Pension Plan. In 2012, the maximum is **50 100 \$** a year. This means that you cannot contribute more than 2 341,65 \$ in 2012, which is also the maximum amount that your employer will pay.

If you are self-employed, you pay the entire amount (a maximum of 4 683,30 \$ in 2012).

What protection does the Québec Pension Plan provide?

The Plan is above all a retirement plan

To receive a retirement pension under the Québec Pension Plan, you must have contributed to the Plan for at least one year. **Your pension will be equal to 25% of the average employment earnings on which you made contributions.** The amount of your pension will depend on:

- the age at which you retire;
- the number of years of contribution;
- your employment earnings under the Plan.

It is possible to receive a retirement pension at age 60, under certain conditions.

At age 65, you can apply for your pension even if you have not stopped working.

Furthermore, if you work while you are receiving a retirement pension, you must contribute to the Québec Pension Plan. Your pension will increase as a result.

The Plan also provides protection for you and your family

In the event of disability

If your health deteriorates to the point that you can no longer work, you may be entitled to a disability pension under the Québec Pension Plan, provided you have made **sufficient contributions**. A person deemed to be disabled by the Régie is entitled to a supplement for each dependent child under age 18.

In the event of death

If you have contributed sufficiently to the Plan, your family can apply for:

- a death benefit of a maximum of 2 500 \$;
- a surviving spouse's pension, the amount of which depends on the age of your spouse;
- an orphan's pension for your child, which will be paid until the child turns 18.

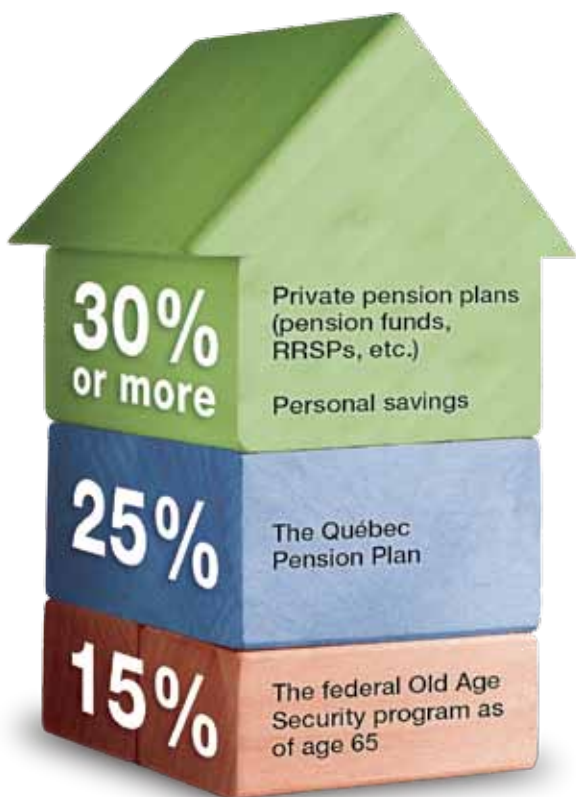


Take note!

- All benefits under the Québec Pension Plan are calculated on the basis of the employment earnings on which you made contributions.
- You must apply to receive a pension.
- All pensions are indexed annually on the basis of the cost of living.

Maintaining your standard of living in retirement

To maintain your standard of living in retirement, you will need roughly **70% of your annual gross employment earnings**. To achieve this goal, you will need three sources of retirement income, represented here by a three-storey house.



The percentages indicated above apply to an individual who retires at age 65 with average earnings of 45 000 \$ a year.

To learn more about financial planning for retirement, see our Web site.

If you separate...

Following a divorce, legal separation, civil annulment of marriage or dissolution or annulment of a civil union, the former spouses' employment earnings recorded under the Plan will be automatically partitioned unless renunciation of partition is confirmed in the judgment.

Partition can also be carried out for de facto (common law) spouses. However, they must file the application jointly.

To find out whether partition would be advantageous, you can apply to the Régie for a simulation of the effects of partition. You can download the forms for this free service from our Web site.

It's all online

You can find the **most up-to-date information** and amounts on our Web site.

You can consult your file online at any time via My Account.

Also take advantage of our other online services:

- ▶ CompuPension, a tool for simulating retirement income;
- ▶ SimulR, a simplified retirement income simulator tool;
- ▶ Application for a retirement pension;
- ▶ Application for survivors' benefits;
- ▶ Forms and publications.

www.rrq.gouv.qc.ca/services

Pensionable employment earnings under the Québec Pension Plan

Visit our Web site to find out what the maximum and minimum pensionable earnings were in past years.

Year	Minimum	Maximum
1983	1 800 \$	18 500 \$
1984	2 000 \$	20 800 \$
1985	2 300 \$	23 400 \$
1986	2 500 \$	25 800 \$
1987	2 500 \$	25 900 \$
1988	2 600 \$	26 500 \$
1989	2 700 \$	27 700 \$
1990	2 800 \$	28 900 \$
1991	3 000 \$	30 500 \$
1992	3 200 \$	32 200 \$
1993	3 300 \$	33 400 \$
1994	3 400 \$	34 400 \$
1995	3 400 \$	34 900 \$
1996	3 500 \$	35 400 \$
1997	3 500 \$	35 800 \$
1998	3 500 \$	36 900 \$
1999	3 500 \$	37 400 \$
2000	3 500 \$	37 600 \$
2001	3 500 \$	38 300 \$
2002	3 500 \$	39 100 \$
2003	3 500 \$	39 900 \$
2004	3 500 \$	40 500 \$
2005	3 500 \$	41 100 \$
2006	3 500 \$	42 100 \$
2007	3 500 \$	43 700 \$
2008	3 500 \$	44 900 \$
2009	3 500 \$	46 300 \$
2010	3 500 \$	47 200 \$
2011	3 500 \$	48 300 \$
2012	3 500 \$	50 100 \$

How to reach us



Online

MyAccount > RRQ

Access your file **24/7**

www.rrq.gouv.qc.ca



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