

2023 Summary of Contributions & Benefits

Quick reference guide



SUMMARY OF CONTRIBUTIONS & BENEFITS AS AT JANUARY 1, 2023

CANADA/QUEBEC PENSION PLANS

	CPP MAXIMUM	QPP MAXIMUM
YEAR'S MAXIMUM PENSIONABLE EARNINGS (YMPE)	\$66,600.00	\$66,600.00
YEAR'S BASIC EXEMPTION (YBE)	\$3,500.00	\$3,500.00
MAXIMUM CONTRIBUTORY EARNINGS (YMPE-YBE)	\$63,100.00	\$63,100.00
MAXIMUM ANNUAL CONTRIBUTION		
<ul style="list-style-type: none"> Employee (CPP 5.95%/QPP 6.4% of employment earnings up to YMPE less YBE) 	\$3,754.45	\$4,038.40
<ul style="list-style-type: none"> Employer (same as the employee's) 	\$3,754.45	\$4,038.40
<ul style="list-style-type: none"> Self-Employed (CPP 11.9%/QPP 12.8% of employment earnings up to YMPE less YBE) 	\$7,508.90	\$8,076.80
MAXIMUM MONTHLY RETIREMENT PENSION AT AGE 65*	\$1,306.57	\$1,306.57
DEATH BENEFIT		
<ul style="list-style-type: none"> Maximum Death Benefit 	\$2,500.00	\$2,500.00
<ul style="list-style-type: none"> Maximum Monthly Spouse's Pension 		
Under Age 65	\$707.95	**\$1,064.81
Age 65 or older	\$783.94	\$804.13
<ul style="list-style-type: none"> Monthly Surviving Children Pension (each child)**** 	\$281.72	\$281.72
DISABILITY BENEFIT		
<ul style="list-style-type: none"> Maximum Monthly Contributor's Pension*** 	\$1,538.67	\$1,537.13
<ul style="list-style-type: none"> Monthly Disabled Contributor's Child's Benefit**** 	\$281.72	\$89.45
<small>*Retirement pension available upon contributor's reaching 60 years of age, with actuarial adjustment **Varies depending on surviving spouse age, disability status, or if there are dependent children ***Under age 65 - unable to do any job and disability is serious and prolonged ****A 'dependent child' is defined as up to age 18 (25 if in full time attendance at school)</small>		

OLD AGE SECURITY

This benefit is payable to every person in Canada age 65 and over that fulfils the residence requirements. The benefit amount is adjusted quarterly based on the Consumer Price Index.

■ BASIC BENEFIT (January – March)

- AT AGE 65 TO 74 \$687.56 per month
- AT AGE 75 AND OVER \$756.32 per month

EMPLOYMENT INSURANCE BENEFITS (EI)

MAXIMUM INSURABLE EARNINGS	\$1,182.69/week; \$61,500/year
BENEFIT RATE	55% of insured earnings to a maximum benefit of \$650 per week
CONTRIBUTION RATES	
Employee	1.63% of insurable earnings; max. \$1,002.45 (1.27 in Quebec*; max. \$786.05)
Employer	1.4 times employee rate (2.282%; max. \$1,403.43 / 1.778% Quebec*; max. \$1,157.48)
Employer rate if there is an approved Short Term Disability (STD) program	1.140 to 1.249 times employee rate (1.858% to 2.036%)** (Approximate savings per employee ranges from \$152 to \$261 per year)
*Quebec employees/employers are also subject to Quebec Parental Insurance Plan contributions. **Varies depending on the type of STD plan.	

QUEBEC PARENTAL INSURANCE PLAN (QPIP)

MAXIMUM INSURABLE EARNINGS	\$1,750.00/week; \$91,000/year
BENEFIT RATE	Basic Plan – 70%* of insured earnings to a maximum benefit of \$1,225.00 per week Special Plan – 75%* of insured earnings to a maximum benefit of \$1,312.50 per week
CONTRIBUTION RATES	
Employee	Salaried – 0.494% of insurable earnings; max. \$449.54 Self-employed – 0.878% of insurable earnings; max. \$798.98
Employer	0.692% of insurable earnings; max. \$629.72
*Varies depending on chosen type of leave and if shared with both parents.	

TAXATION OF EMPLOYEE BENEFITS

AS AT JANUARY 1, 2023

EMPLOYER SPONSORED PLANS	EMPLOYEE CONTRIBUTIONS TAX DEDUCTIBLE TO EMPLOYEE?	EMPLOYER CONTRIBUTIONS TAX DEDUCTIBLE TO EMPLOYER?	EMPLOYER CONTRIBUTIONS TAXABLE TO EMPLOYEE?	BENEFITS RECEIVED TAXABLE TO RECIPIENT?
GROUP LIFE	No	Yes	Yes	No
DEPENDENT LIFE	No	Yes	Yes	No
GROUP AD&D	No	Yes	Yes	No
SURVIVOR INCOME BENEFIT	No	Yes	(2)	Interest Element Only
GROUP HEALTH / DENTAL	No (1)	Yes	No (3)	No
GROUP INCOME REPLACEMENT (STD & LTD)	No	Yes	No	(4)
SALARY CONTINUANCE (SICK PAY)	N/A	Yes	N/A	Yes
GROUP CRITICAL ILLNESS	No	Yes	Yes	No
REGISTERED PENSION PLAN (5)	Yes	Yes	No	Yes
GROUP RRSP (5)	Yes	Yes	Yes	Yes

1 – Employee Contributions are deductible only under allowable medical expense deduction.

2 – Commuted value is added to the Group Life Insurance.

3 – Quebec employees, employer health/dental contributions are taxable.

4 – Benefit is non-taxable if 'employee pay all' policy.

5 – Tax status shown applies within certain maximum allowable limits.

GOVERNMENT SPONSORED PLANS	EMPLOYEE CONTRIBUTIONS TAX DEDUCTIBLE TO EMPLOYEE?	EMPLOYER CONTRIBUTIONS TAX DEDUCTIBLE TO EMPLOYER?	EMPLOYER CONTRIBUTIONS TAXABLE TO EMPLOYEE?	BENEFITS RECEIVED TAXABLE TO RECIPIENT?
CPP/QPP	Yes	Yes	No	Yes
OLD AGE SECURITY				
BASIC BENEFIT	N/A	N/A	N/A	Yes
SPOUSE'S ALLOWANCE	N/A	N/A	N/A	No
GUARANTEED INCOME SUPP.	N/A	N/A	N/A	No
EMPLOYMENT INSURANCE	Yes	Yes	No	Yes
QUEBEC PARENTAL INSURANCE PLAN	Yes	Yes	No	Yes
WORKERS' COMPENSATION	N/A	Yes	No	No
EMPLOYER HEALTH TAX	N/A	Yes	No	No

Taxable benefits are conferred if employer pays employee's portion, but employee can claim the corresponding amount as a tax deduction.

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