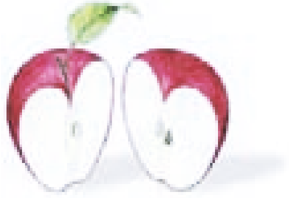
Special situations

Will my pension be reduced if I stayed at home to raise a child?

In calculating benefits under the Québec Pension Plan, we take into account the contributions made and the number of years during which you could have contributed since age 18. However, if you stopped working or if your income was low for certain periods during which you were eligible for a family allowance from Québec or Canada for a child under age 7, those periods are not taken into account in calculating the amount of a benefit, which has the effect of raising the amount. We will take your situation into account when you apply for your pension.



If you separate

After a divorce, separation from bed and board, civil annulment of marriage, or a dissolution or annulment of civil union, the Régie partitions the employment earnings on which you and your former spouse contributed to the Québec Pension Plan, if you have not renounced partition. To find out in advance what effect partition will have on the pensions, you can apply for a simulation. The Régie will send you a table of the earnings recorded under your name and that of your former spouse, and an estimate of your retirement pension before and after partition. De facto spouses can also apply for partition; however, they must file a joint application.

Pensionable earnings under the Québec Pension Plan

Year	Minimum employment earnings	Maximum employment earnings
1966	600 $	5 000 $
1967	600 $	5 000 $
1968	600 $	5 100 $
1969	600 $	5 200 $
1970	600 $	5 300 $
1971	600 $	5 400 $
1972	600 $	5 500 $
1973	700 $	5 900 $
1974	700 $	6 600 $
1975	700 $	7 400 $
1976	800 $	8 300 $
1977	900 $	9 300 $
1978	1 000 $	10 400 $
1979	1 100 $	11 700 $
1980	1 300 $	13 100 $
1981	1 400 $	14 700 $
1982	1 600 $	16 500 $
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 $

How to reach us

For more information about the Québec Pension Plan and the system for financial security after retirement, contact the Régie:

By Internet

www.rrq.gouv.qc.ca

Régienet
On-line services

By telephone

Québec region: (418) 643-5185
Montréal region: (514) 873-2433
Toll-free: 1 800 463-5185

Service for the hearing impaired
(TDD/TTY required) 1 800 603-3540

By mail

Régie des rentes du Québec
Case postale 5200
Québec (Québec) G1K 7S9

In person

At one of our client service centres.

We suggest that you call us before coming to the office. In most cases, you can obtain the information you need by telephone.

Version originale française disponible sur demande.

CompuPension
A tool for simulating retirement income

300-RRQ-2005 01-A

Régie des rentes
Québec

Régie des rentes du Québec

2005

Planning your retirement

Québec

Planning your retirement

20, 30, 40 years old

Financial security after retirement is often compared to a three-storey house. The first two floors are made up of the Old Age Security pension from the federal government and the retirement pension under the Québec Pension Plan. Of course, public plans provide you with a basic income. The third floor includes supplemental pension plans, often called employer pension plans, and personal savings and investments, such as registered retirement savings plans (RRSPs). This will allow you to maintain your standard of living at retirement.

To have a better understanding of your financial situation after retirement, you can use **CompuPension**, an interactive tool that estimates your retirement income. **CompuPension** is available on our Internet site. There is also the *Guide to Financial Planning for Retirement*, published by Question Retraite*, which you can order on their Internet site at **www.questionretraite.qc.ca** or by calling 1 866 883-3258.

You can count on the Québec Pension Plan!

The Régie des rentes du Québec is committed to managing the Québec Pension Plan efficiently in order to ensure the payment of pensions to future generations. When you retire, you will receive the benefits to which you are entitled and will still be able to count on a team that is competent in all situations. For information about our other commitments and our results, see the *Service Statement* on our Internet site.

* Question Retraite is a public-private, non-profit group for promoting Quebeckers' financial security at retirement.

Information on your Statement of Participation

On your Statement of Participation in the Québec Pension Plan, you will find estimates of the retirement pension and the disability and survivors' benefits to which you or your family could be entitled. The amounts are estimated in today's dollars and rounded off to the nearest whole dollar.

Eligibility and the amount of the benefits vary according to the employment earnings recorded under your name in the Québec Pension Plan and, if you have worked elsewhere in Canada, in the Canada Pension Plan. Therefore, it is important that you check whether all your employment earnings have been accurately recorded on your Statement of Participation. If you are a salaried worker, you can compare the information to the employment income statements issued by your employer. If you are self-employed, you can compare it with your Notice of Assessment. To find out what the minimum and maximum employment earnings on which you can contribute are, see the table at the end of this folder.

Important!

The Régie des rentes du Québec sends you your Statement of Participation every four years so that you can verify whether all the employment earnings on which you contributed have been properly recorded. For this purpose, the Régie uses the address on file for you at the Régie de l'assurance maladie du Québec (RAMQ), in accordance with the *Act respecting Access to documents held by public bodies and the Protection of personal information*. Be sure to inform the RAMQ of any change of address. If you prefer, you can also order a Statement of Participation at any time, through Régienet, our on-line service.

The benefits paid

Benefits are not paid automatically. You must file an application with the Régie des rentes du Québec. Application forms are available on our Internet site or by calling the Régie.

Benefits paid by the Régie des rentes du Québec are indexed each year to the cost of living, except the death benefit, which is a fixed amount of 2 500 $. All benefits are taxable.

Retirement pension

You can receive a retirement pension under the Québec Pension Plan as early as age 60 if you meet one of the following conditions:

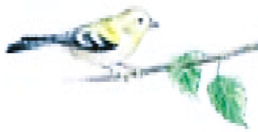
- you have stopped working;
- your employment earnings are less than 10 275 $ a year (for 2005);
- you are an employee and you have reduced your pay by at least 20% per pay period under a phased retirement agreement with your employer.

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

If you apply for your retirement pension between ages 60 and 65, it will be less than if you wait until age 65. It will be reduced by 1/2% for each month preceding your 65th birthday (6% a year). If you begin receiving your retirement pension after your 65th birthday, it will be greater than if you began receiving it at age 65. It will be increased by 1/2% for each month (6% a year) between your 65th birthday and the time when your pension begins, up to a maximum of 30%.

For example, the Régie calculates that Peter will be entitled to a retirement pension of 750 $ a month at age 65. Peter applies for his pension at age 62. Since there are 3 years remaining before his 65th birthday, his pension will be reduced by 18%, that is, 6% times 3. As a result, it will be 615 $ a month instead of 750 $. This reduction will apply for as long as his pension is paid. However, the amount will be indexed annually to the cost of living.

Other benefits



Survivors' benefits

When a worker dies, the Québec Pension Plan provides financial assistance to the families of workers **who have made sufficient contributions** to the Plan.

Surviving spouse's pension

A surviving spouse's pension is paid to the legal spouse. When there is no legal spouse, it can be paid to the de facto spouse if he or she lived with the contributor during the 3 years preceding the death, or 1 year if they had a child or adopted a child together.

Orphan's pension

An orphan's pension is paid for each of the deceased contributor's children until they reach age 18. In 2005, the amount is 62,22 $ a month.

Death benefit

The death benefit is a lump sum of 2 500 $.

Disability benefits

If your state of health has deteriorated to the point where you can no longer work and you have contributed to the Plan for the required number of years, you could be entitled to a disability pension.

Disability pension

To be entitled to a disability pension, you must be under age 65 and your disability must be serious and permanent.

Pension for a disabled person's child

If you have been deemed to be disabled by the Régie des rentes du Québec, a pension for a disabled person's child can be paid for each of your children under age 18. In 2005, the pension is 62,22 $ a month.

For further information, visit our Internet site or contact us to obtain the information booklets on the benefits.