Infobulletin

Special Edition

Information Bulletin for Group Insurance Plan Administrators and Advisors

2017 Government Benefits

A number of federally and provincially legislated programs affect the administration and coverage available under private benefit plans. We are pleased to present you with an updated outline of the benefits provided under various legislated programs for 2017. If you require any additional information regarding these programs, we recommend that you consult the corresponding agency's website, which is listed at the end of each section.

1

Canada Pension Plan (CPP) and Québec Pension Plan (QPP)

Unless otherwise indicated, CPP and QPP rates are the same. The listed figure represents the maximum pension amount.

Contributions	2016	2017
Yearly maximum pensionable earnings (YMPE)	$54,900	$55,300
Basic annual exemption	$3,500	$3,500
Contribution rate (employer and employee; double for self-employed)	4.95% (CPP) 5.325% (QPP)	4.95% (CPP) 5.4% (QPP)
Maximum annual contribution (employer and employee; double for self-employed)	$2,544.30 (CPP) $2,737.05 (QPP)	$2,564.10 (CPP) $2,797.20 (QPP)

Benefits	2016	2017
CPP death benefit	6 months of retirement pension (Max. $2,500)	6 months of retirement pension (Max. $2,500)
CPP monthly survivor's pension		
Spouse under 65 years of age	$593.62	$604.32
Spouse 65 years of age or older	$655.50	$668.50
Orphan (per child, until age 18 or until age 25 if a student)	$237.69	$241.02
CPP monthly disability pension		
Contributor	$1,290.81	$1,313.66
Dependent child (per child)	$237.69	$241.02
Maximum monthly retirement pension at age 65	$1,092.50	$1,114.17
QPP death benefit (maximum value)	$2,500	$2,500
QPP monthly survivor's pension		
Spouse under 45 years of age		
- Not disabled with no dependent children	$530.42	$540.23
- Not disabled with dependent children	$847.39	$861.64
- Disabled with or without dependent children	$881.09	$895.81
Spouse between 45 and 54 years of age	$881.09	$895.81
Spouse between 55 and 64 years of age	$881.09	$895.81
Spouse 65 years of age or older	$655.50	$668.50
Orphan (per child, until 18 years of age)	$237.69	$241.02
QPP monthly disability pension		
Contributor	$1,290.78	$1,313.63
Dependent child (per child)	$75.46	$76.52

Canada Pension Plan website:
www.servicecanada.gc.ca/eng/services/pensions/cpp/index.shtml

Québec Pension Plan website:
www.rrq.gouv.qc.ca/en/programmes/regime_rentes

iA Financial Group

2017 Government Benefits

2

Employment Insurance

To be eligible for health, maternity or parental benefits under the *Employment Insurance Act*, an employee must have accumulated 600 insurable hours in the 52-week period preceding the claim. Health and maternity benefits are payable for a maximum of 15 weeks and parental leave benefits are payable for a maximum of 35 weeks. A combination of maternity, parental leave and health benefits can be paid up to a maximum of 65 weeks if specific conditions are met. The amount of the weekly benefit depends on the employee's earnings in the last 26 weeks of employment.

Since January 1, 2006, Quebec employees have had access to the Québec Parental Insurance Plan (QPIP). Quebec-based employers and employees contribute to this program, which pays benefits for maternity, paternity, adoption and parental leaves. Therefore, Quebec taxpayers contribute slightly less to Employment Insurance, since this program no longer pays claims for maternity or parental benefits in Quebec.

Contributions	2016	2017
Maximum annual insurable earnings	$50,800	$51,300
Employee contribution rate per $100 of insurable earnings		
- Outside Quebec	$1.88	$1.63
- Quebec	$1.52	$1.27
Maximum annual employee contribution		
- Outside Quebec	$955.04	$836.19
- Quebec	$772.16	$651.51
Employer contribution rate per $100 of insurable earnings*		
- Outside Quebec	$2.63	$2.28
- Quebec	$2.13	$1.78
Maximum annual employer contribution		
- Outside Quebec	$1,337.06	$1,170.67
- Quebec	$1,081.02	$912.11

Benefits	2016	2017
Basic benefit rate (% of average insurable earnings)	55%	55%
Maximum weekly amount	$537.00	$543,00
Based on last weeks of salary	26 weeks	26 weeks
Elimination period	2 weeks	1 week
Maximum duration	15 weeks	15 weeks
Tax status of benefits	Taxable	Taxable

* Employers who offer their employees a qualified short-term disability plan are eligible for a reduction in their Employment Insurance contributions. Employers are required to return at least 5/12 of the savings generated by the premium reduction to all employees to whom the reduced rate applies.

Employment Insurance website:
www.canada.ca/en/services/benefits/ei.html

Québec Parental Insurance Plan website:
www.rqap.gouv.qc.ca/Index_en.asp

2017 Government Benefits

3

Workers' Compensation

Workers' compensation plans are governed by provincial legislation and financed by employers. In some provinces, participation in such plans is mandatory for certain employers or groups of workers. Premiums vary according to the type of industry and the size of the company or rating class in each province. Workers' compensation plans mainly provide for income replacement benefits and can also reimburse certain medical costs. These benefits are not taxable.

Province	Maximum assessable earnings 2016	Maximum assessable earnings 2017	Disability benefits	Website
British Columbia	$80,600	$81,900	90% of net income and 75% of gross income for accidents before June 30, 2002	www.worksafebc.com
Alberta	$98,700	$98,700	90% of net income	https://www.wcb.ab.ca/
Saskatchewan	$69,242	$76,086	90% of net income	www.wcbsask.com
Manitoba	$125,000	$127,000	90% of net average income for the first 24 months, 80% thereafter	https://www.wcb.mb.ca/
Ontario	$88,000	$88,500	85% of net income	www.wsib.on.ca
Quebec	$71,500	$72,500	90% of net income	www.csst.qc.ca/en
New Brunswick	$61,800	$62,700	85% of net income	www.worksafenb.ca
Nova Scotia	$58,200	$59,300	75% of net income for the first 26 weeks, 85% thereafter	www.wcb.ns.ca
Prince Edward Island	$52,200	$52,800	80% of net income for the first 38 weeks, 85% thereafter	www.wcb.pe.ca
Newfoundland and Labrador	$62,540	$63,420	80% of net income	www.whscc.nf.ca
Northwest Territories and Nunavut	$88,600	$90,600	90% of net income	www.wscc.nt.ca
Yukon	$84,837	$85,601	75% of gross income	www.wcb.yk.ca

2017 Government Benefits

4

Provincial Health Insurance Plans

The federal and provincial governments share responsibility for Canada's healthcare system. Healthcare services vary from province to province and the coverage provided are constantly being reviewed and revised.

Quebec

Participation in the Public Prescription Drug Insurance Plan is mandatory for all residents who are not covered under a private group insurance plan. On July 1, 2016, the following changes were made to the plan's contribution requirements:

	Before July 1, 2016	As of July 1, 2016
Monthly deductible	$18.00	$18.85
Co-insurance	34%	34.5%
Maximum annual contribution	$1,029	$1,045.92
Maximum annual premium	$640	$660

5

Société de l'assurance automobile du Québec (Quebec automobile insurance corporation)

	2016	2017
Income replacement benefit (as a % of net salary)	90%	90%
Gross maximum insurable amount	$71,500	$72,500

For your information, here is a list of each province's Ministry of Health website:

British Columbia
www.gov.bc.ca/health

Alberta
www.health.gov.ab.ca

Saskatchewan
www.saskatchewan.ca/government/government-structure/ministries/health

Manitoba
www.gov.mb.ca/health/index.html

Ontario
www.health.gov.on.ca

Quebec
www.msss.gouv.qc.ca/en

New Brunswick
www.gov.nb.ca/health

Nova Scotia
www.gov.ns.ca/health

Prince Edward Island
www.gov.pe.ca/health

Newfoundland and Labrador
www.gov.nl.ca/health

Nunavut
www.gov.nu.ca/health

Northwest Territories
www.hss.gov.nt.ca

Yukon
www.hss.gov.yk.ca

About iA Financial Group

Founded in 1892, iA Financial Group offers life and health insurance products, mutual and segregated funds, savings and retirement plans, RRSPs, securities, auto and home insurance, mortgages and car loans and other financial products and services for both individuals and groups. It is one of the four largest life and health insurance companies in Canada and among the largest publicly traded companies in the country. iA Financial Group stock is listed on the Toronto Stock Exchange under the ticker symbol IAG.

The Infobulletin is also available on our website at ia.ca/business/group-insurance/administer-your-plan/infobulletins.

F54-845A(17-01) Special Edition 2017

INVESTED IN YOU.

iA Financial Group is a business name and trademark of
Industrial Alliance Insurance and Financial Services Inc.