

2019 GOVERNMENT BENEFITS UPDATE

Westcoast Actuaries Inc. is pleased to present the Government Benefits Update for 2019. It is designed to provide our clients and business partners with a handy reference of government benefit programs, income tax retirement savings and pension limits.

Canada/Québec Pension Plan Benefits (CPP/QPP)

Benefits	2019	2018
Maximum Retirement Pension at Age 65 ⁽¹⁾	\$1,154.58	\$1,134.17
Maximum Lump Sum Death Benefit	\$2,500.00	\$2,500.00
Disability Benefits	CPP/QPP	CPP/QPP
▪ Formula for Benefit – Flat Amount (Monthly)	\$496.36/\$496.33	\$485.20/\$485.17
▪ Maximum Benefit (Monthly)	\$1,362.30/\$1,362.27	\$1,335.83/\$1,335.80
▪ Child Benefit (Monthly Amount Per Child)	\$250.27/\$79.46	\$244.64/\$77.67
Orphan Benefit (Per Child)	\$250.27	\$244.64
Maximum Survivor Pension		
▪ CPP/QPP – Age 65 & Over	\$692.75	\$680.50
▪ CPP – Under Age 65	\$626.63	\$614.62
▪ QPP – Age 45 to 64	\$929.30	\$910.48
▪ QPP – Under Age 45 – Not Disabled, No Child	\$560.09	\$549.57
▪ QPP – Under Age 45 - Not Disabled, With Child	\$893.82	\$875.80
▪ QPP – Under age 45 - Disabled	\$929.30	\$910.48

⁽¹⁾ The standard age to receive a CPP retirement pension is age 65. However, a pensioner can choose to start the pension as early as age 60 with a 36% reduction (\$738.93 per month in 2019) or as late as age 70 with a 42% increase (\$1,639.50 per month in 2019). Pensioner is eligible to receive additional Post-Retirement Benefit from CPP or Retirement Pension Supplement from QPP for each year a valid contribution is made to the C/QPP while a retirement pension is being received.

Canada/Québec Pension Plan Contributions (CPP/QPP)

Contributions	2019	2018
Year's Maximum Pensionable Earnings (YMPE)	\$57,400	\$55,900
Year's Basic Exemption (YBE)	\$3,500	\$3,500
CPP Employee / Employer Contribution Rate ⁽²⁾	5.10%	4.95%
QPP Employee / Employer Contribution Rate	5.55%	5.4%
CPP Maximum Employee / Employer Contribution	\$2,748.90	\$2,593.80
QPP Maximum Employee / Employer Contribution	\$2,991.45	\$2,829.60

⁽²⁾ The CPP is being gradually enhanced from 2019 to 2023, the contribution rates will gradually increase by 1% from 4.95% to 5.95%.

Old Age Security (OAS)

Benefits	2019	2018
Maximum Monthly Benefit at January 1 ⁽³⁾	\$601.45	\$586.66
Lower Income Threshold for OAS Clawback ⁽⁴⁾	\$77,580	\$75,910
Upper Income Threshold for OAS Clawback ⁽⁴⁾	\$125,696	\$122,843

⁽³⁾ The standard age to receive OAS pension is age 65. However, a pensioner can choose to start the OAS pension beyond age 65 in exchange for a higher pension. The monthly OAS pension is increased by 0.6% for every month it is delayed up to a maximum of 36% at age 70.

⁽⁴⁾ Clawback is 15% of income in excess of the Lower Income Threshold. The OAS benefits are fully clawed back at the Upper Income Threshold.

Guaranteed Income Supplement (GIS)

Maximum Monthly GIS and Allowance ⁽⁵⁾	2019	2018
GIS for Single Person	\$898.32	\$876.23
GIS for Pensioner with Spouse also Receiving OAS/Allowance	\$540.77	\$527.48
Spousal Allowance	\$1,142.22	\$1,114.14
Allowance for Survivor	\$1,361.56	\$1,328.08

⁽⁵⁾ Subject to income test and is tax-free.

Employment Insurance (EI)

Benefits	2019	2018
Benefit Rate (as a % of Insurable Earnings)	55%	55%
Maximum Insurable Earnings (Annual)	\$53,100	\$51,700
Maximum Benefit (Weekly)	\$562	\$547
Employee Premium	Canada/Québec	Canada/Québec
Rate as a % of Insurable Earnings	1.62%/1.25%	1.66%/1.30%
Maximum Annual Dollar Amount	\$860.22/\$663.75	\$858.22/\$672.10
Employer Premium	Canada/Québec	Canada/Québec
Rate as a % of Insurable Earnings ⁽⁶⁾	2.268%/1.750%	2.324%/1.820%
Maximum Annual Dollar Amount ⁽⁶⁾	\$1,204.31/\$929.35	\$1,201.51/\$940.94

⁽⁶⁾ If an employer offers a Wage Loss Replacement Plan, a qualifying insured or self-insured short-term disability plan for employees, the employer can apply for the [EI Premium Reduction Program](#) and pay a lower EI premium rate once qualified.

Income Tax Retirement Savings and Pension Limits

	2019	2018
Maximum TFSA Contribution	\$6,000	\$5,500
Maximum RRSP Contribution	\$26,500	\$26,230
Maximum Defined Contribution Pension Plan Contribution	\$27,230	\$26,500
Maximum Deferred Profit Sharing Plan (DPSP) Contribution	\$13,615	\$13,250
Maximum Employee Contribution to Defined Benefit Plan	\$19,641	\$19,130
Maximum Pension Limit for Defined Benefit Pension Plan ⁽⁷⁾	\$3,025.56	\$2,944.44

⁽⁷⁾ Annual pension per year of pensionable service.

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