



Plan Sponsor Notice

December 2011

Changes to the Canada Pension Plan – Reminder for Plan Sponsors

In addition to affecting your employees, the recent and ongoing changes to the Canada Pension Plan (CPP) may also impact you as an employer.

Beginning in 2012, if you have employees under age 65 who are working while receiving their CPP retirement pension, both you as well as the employee are required to make CPP contributions.

However, employees age 65 to 70 that are working while receiving CPP retirement pension income may choose to either make CPP contributions or they may opt out. For those employees that decide to contribute to CPP, you will also be required to contribute.

The CPP contributions are intended to allow employees to continue to build their CPP Post-Retirement Benefit, even if they are already receiving the maximum CPP pension amount.

For more information on this change, access Service Canada's online resources including the Canadian Retirement Income Calculator at servicecanada.gc.ca or call them toll-free at 1-800-277-9914.