

## RETIREMENT AFTER AGE 65 – BENEFIT COVERAGE

With the new provincial (Ontario) legislation (Bill C-211) eliminating mandatory retirement at age 65, the following are the ramifications with regard to the Benefit Coverage for someone working beyond age 65:

### **These benefits will stay the same:**

1. Extended Health Care
2. Dental
3. Pension - beyond age 65, members will continue to contribute to the pension plan, and accrue service credits accordingly until their retirement date. Income Tax regulations require that they begin to receive a pension by the end of the year in which they reach age 69.

### **These benefits will change:**

1. LTD - coverage ends at age 65
2. Group Life Insurance Coverage - After 65, reduces to \$60,000 from \$100,000.

Also, please know that all Manulife benefits cease at age 70. At that time, an employee may elect coverage under the retired group for health and dental.

**For the Canada Pension Plan (CPP)** there are 2 options if somebody works beyond age 65:

1. Choose to collect CPP at age 65 and continue working without making further contributions

OR

2. Choose to defer CPP, continue making contributions and realize a half percent increase for each month over 65, to age 70 (which equates to a maximum 30% increase).

A person cannot make CPP contributions and collect CPP payments at the same time.

**For Old Age Security (OAS)**, payments would be available to those eligible starting at age 65, regardless of employment status.