



Your retirement income

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Apart from your own savings, what income can you expect when you retire? Common sources include:

Government benefits (see *Service Canada* or, for Quebec, *Retraite Québec*):

- Canada Pension Plan/ Quebec Pension Plan (CPP or QPP)** – for those who contributed while working (based on income). Disability and survivor benefits may also be available. Benefits may be split on marriage breakdown.
- Old Age Security (OAS)** – for people 65 or more, who meet legal status and residence requirements. Not based on employment income and you need to apply.
- Guaranteed Income Supplement (GIS)** – a monthly non-taxable benefit for low income retirees who get OAS (above).

Personal and Workplace Plans:

- Registered Retirement Savings Plan (RRSP):** if you have saved money in your own RRSP or a group RRSP arranged by your employer. See the rules about when to stop contributing, start withdrawing, tax-free withdrawal or converting to other investments on retirement.
- Pooled Registered Pension Plan (PRPP) or Quebec Voluntary Retirement Savings Plan (VRSP):** sponsored by employers, these are retirement savings plans like RRSPs. Ask your employer if you have one.
- Registered Pension Plans:** provided by an employer or a union. Plans may provide “defined benefit” (a certain amount of retirement income calculated by a formula), “defined contribution” (employer and employee contributions are certain but retirement income depends on financial markets), or “target benefit” (an expected amount of retirement income that can be changed with the financial position of the plan). Check your member booklet and annual statement for details.

You may be able to reduce tax by sharing or splitting pension benefits with your spouse. And, if your spouse or former spouse had an employer registered pension plan, you may be entitled to a share. See a lawyer or financial advisor to know what to expect and how to plan for your retirement.

For links and resources, visit cba.org/healthcheck



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