Working Beyond Age 65

If you are considering working beyond age 65, please consider the information below to learn more about your benefits during this time.

Benefits that Will Stay the Same

Extended Health, Dental and Sick Leave coverage will remain the same. Beyond age 65, members will continue to contribute to the pension plan, and accrue service credits accordingly until the end of the year in which they reach age 69 or their earlier retirement date (subject to 35 year maximum). If you work beyond age 69, pension payments will start in December of the year in which you turn 69.

Benefits that Will Change

Long Term Disability ends at age 65. Group Life Insurance Coverage ceases at the end of the semester following the date you reach age 65.

Collecting Pension

If you retire prior to age 69, you will begin collecting your pension in the month following your retirement. If you work beyond age 69, pension payments will start in December of the year in which you turn 69.

Canada Pension Plan (CPP) Payment

- Starting in 2012, if you are at least 65 but under 70 and you work while receiving your CPP retirement pension, you will make CPP contributions that will go toward your Post-Retirement Benefit (PRB) or you can elect not to contribute.
- By taking your pension after 65, you can increase your pension by up to 42% (at age 70) starting in 2013.
- Starting in 2012, the number of years of low or zero earnings that are automatically dropped from the calculation of the CPP retirement pension will increase.
- Starting in 2012, you will be able to begin receiving your CPP retirement pension without any work interruption.

Refer to the Service Canada document to find out more about the changes to the Canada Pension Plan [1].

Old Age Security (OAS)

OAS payments are available to eligible Canadians starting at age 65, regardless of employment status.

In the 2012 Budget the federal government introduced the voluntary deferral of the Old Age Security (OAS) benefit. Starting on July 1, 2013, you will be able to defer the start of your OAS benefit for up to five years. This voluntary deferral will allow you to postpone the receipt of your OAS to a later time in exchange for receiving higher benefit payments later.
Refer to the Service Canada web page for more information on the Old Age Security Program [2].

Links
[1] https://www.uoguelph.ca/hr/system/files/service%20canada%20cpp%20changes.pdf