

Economic and Capital Markets	2009	2008	2007	Average (geometric)		Comments
				5-Year	10-Year	
Change in CPI for Canada (Oct. to Oct.)	0.1%	2.6%	2.4%	1.7%	2.0%	Not seasonally adjusted. CANSIM Series V1558664.
Change in average earnings (Sept. to Sept.)	1.7%	2.8%	4.5%	3.0%	2.6%	
S&P/TSX Composite Index (Total Return)	35.1%	-33.0%	9.8%	7.7%	5.6%	
S&P 500 Total Return (C\$)	9.1%	-22.6%	-10.3%	-2.2%	-4.1%	
MSCI World Index Total Return (C\$)	10.4%	-25.8%	-7.5%	-0.7%	-3.4%	CANSIM Series V122531.
DEX Universe Bond Index	5.4%	6.4%	3.7%	5.2%	6.7%	
3-month T-Bill rate (Dec.)	0.2%	0.8%	3.9%	2.5%	2.7%	CANSIM Series V122544.
Yield on long-term Canada bonds (Dec.)	4.1%	3.5%	4.2%	4.0%	4.7%	CANSIM Series V122515; see note 1. First 10 years/thereafter; see note 2.
DEX Long-Term Corporate Bonds AAA/AA (Dec.)	5.9%	6.7%	5.3%	5.5%	5.8%	
Prescribed interest on DB contributions	1.76%	2.81%	3.09%	2.60%	3.16%	
Discount rate for CIA transfer values (Dec.)	3.9%/5.4%	3.75%/5.25%	4.75%/5%	N/A	N/A	

	2010	2009	Comments
Canada/Quebec Pension Plan			
Retirement pension (maximum starting at 65)	\$934.17	\$908.75	Payable monthly. Reduced for early retirement between 60 and 65.
Death benefit (maximum)	\$2,500	\$2,500	Lump sum.
Survivor pension (maximum, age 65 and over)	\$560.50	\$545.25	Payable monthly.
Survivor pension (maximum under age 65)	\$516.57 / \$776.41	\$506.38 / \$765.18	Monthly amounts payable under CPP, QPP respectively. See note 3.
Orphan benefit (per child)	\$214.85 / \$68.22	\$213.99 / \$67.95	
Year's Maximum Pensionable Earnings (YMPE)	\$47,200	\$46,300	
Maximum employee contribution to plan	\$2,163.15	\$2,118.60	Equals 4.95% of earnings between \$3,500 and YMPE.
Old Age Security			
OAS (maximum at Jan. 1)	\$516.96	\$516.96	OAS, GIS and Allowance are indexed quarterly to CPI.
Lower threshold for OAS clawback	\$66,733	\$66,335	Payable monthly from 65. Subject to residency test.
Upper threshold for OAS clawback	\$108,090	\$107,692	Income at which OAS clawback begins.
GIS and Allowance (maximum)			Income at which OAS is completely clawed back.
> GIS for single person	\$652.51	\$652.51	Payable monthly. Subject to income test. Benefits are paid tax-free.
> GIS for pensioner with spouse also receiving OAS	\$430.90	\$430.90	
> Allowance	\$947.86	\$947.86	
> Allowance for survivor	\$1,050.68	1050.68	
Income Tax Act limits			
Maximum contribution to an RRSP	\$22,000	\$21,000	See note 4. Limited further to 18% of earned income in the previous year. See note 5.
Maximum contribution to a TFSA	\$5,000	\$5,000	See note 6.
Maximum contribution to a DC RPP	\$22,450	\$22,000	Combined employee/employer contribution limit.
Maximum employee contribution to a DB RPP	\$16,295	\$15,980	Applies to required contributions; further limited to 9% of pay.
Maximum annual DB pension in an RPP	\$2,494.44	\$2,444.44	Limit for each year of pensionable service.

1. Interest on required member contributions to ON, NS, NB, BC and federal DB plans. Rounded down to nearest 1/10 of 1% in SK, MB and AB.
2. Rate shown in 2009 reflects 2009 CIA standard for pension commuted values. Rates shown in other years reflect 2005 CIA standards.
3. The maximum survivor pension shown for QPP is valid for spouses aged 45 to 64. The QPP survivor pension for spouses under age 45 depends on whether the spouse is disabled or has dependent children.
4. "RPP" means Registered Pension Plan. "DB" means defined benefit. "DC" means defined contribution. "TFSA" means Tax-Free Savings Account. All amounts indicated in this section are annual.

5. Any carry-forward from previous years will be added to an individual's RRSP contribution room as will any Pension Adjustment Reversals. Any Pension Adjustment declared for 2009 and any Past Service Pension Adjustments will decrease the amount.
6. Any carry-forward from previous years will be added to an individual's TFSA contribution room.

	As of January 1, 2010	As of January 1, 2009	Comments
Employment Insurance			
Benefit Formula (as a % of insurable earnings)	55%	55%	Lower income families may qualify for additional benefit.
Maximum Insurable Earnings (annual)	\$43,200	\$42,300	
Maximum Benefit (weekly)	\$457	\$447	
Employee Premium	Canada / Quebec	Canada / Quebec	See note 1.
> rate as a % of insurable earnings	1.73% / 1.36%	1.73% / 1.38%	
> maximum annual dollar amount	\$747.36 / \$587.52	\$731.79 / \$583.74	
Employer Premium			
> rate as a % of insurable earnings			See notes 1, 2.
– without registered WLRP	2.42% / 1.90%	2.42% / 1.93%	WLRP: Wage Loss Replacement Plan.
– with registered WLRP	2.02% / 1.50%	2.03% / 1.54%	
> maximum annual dollar amount			See note 1.
– without registered WLRP	\$1,046.30 / \$822.53	\$1,024.51 / \$817.24	
– with registered WLRP	\$873.66 / \$649.80	\$859.85 / \$652.04	
Disability Benefits			
	CPP / QPP	CPP / QPP	See note 3.
Formula for Benefit Amount (monthly)	\$426.13 / \$426.10	\$424.43 / \$424.40	Plus 75% of employee's retirement pension.
Maximum Benefit (monthly)	\$1,126.76 / \$1,126.73	\$1,105.99 / \$1,105.96	
Child Benefit (monthly amount per child)	\$214.85 / \$68.22	\$213.99 / \$67.95	Payable over and above the Maximum Benefit amount shown.

INCOME TAX TREATMENT OF PREMIUMS AND BENEFITS IN EMPLOYEES' HANDS

Type of Insurance Benefit	Employer Contributions Quebec	Employer Contributions Other Provinces	Benefit Payments All Provinces	Type of Insurance Benefit	Employer Contributions Quebec	Employer Contributions Other Provinces	Benefit Payments All Provinces
Life Insurance	Taxable	Taxable	Non-taxable	Extended Health	Taxable	Non-taxable	Non-taxable
AD&D	Taxable	Non-taxable	Non-taxable	Dental	Taxable	Non-taxable	Non-taxable
Disability	Non-taxable	Non-taxable	See table below				

INCOME TAX TREATMENT OF DISABILITY BENEFITS

Scenario	Tax Treatment of Benefit Payments in Employees' Hands
Employee pays 100% of disability premiums	Non-taxable
Employer pays all or part of disability premiums	Taxable, subject to deduction of employee contributions made to the disability plan since 1968, or non-taxable if employer contributions are added back to the employee's T4. (Canada Revenue Agency may allow this under certain circumstances.)

TAXES

	Premium Tax ⁴ – Insured Benefits	Premium Tax – ASO ⁵ Plans	Sales Tax ⁶ – On Insured Premiums & Deposits	Sales Tax – ASO Plans	Tax – On Administration & Consulting Fees
Alberta	2.00%	None	None	None	5% GST
British Columbia	2.00%	None	None	None	5% GST ⁸
Manitoba	2.00%	None	None	None	5% GST
Newfoundland and Labrador	4.00%	4.00%	None	None	13% HST
New Brunswick	2.00%	None	None	None	13% HST
Nova Scotia	3.00%	None	None	None	13% HST
Ontario	2.00%	2.00%	8% PST	8% PST ⁷	5% GST ⁸
P.E.I.	3.50%	None	None	None	5% GST
Quebec	2.35%	2.35%	9% PST	9% PST	5% GST + 7.5% QST
Saskatchewan	3.00%	None	None	None	5% GST

1. Quebec rates are lower but additional premiums are required for the Quebec Parental Insurance Plan (QPIP).
2. To be registered, the Wage Loss Replacement Plan (WLRP) must be a qualifying insured or self-insured short-term disability plan. A smaller reduction applies for qualifying Cumulative Paid Sick Leave plans.
3. Disability benefits commence in the 4th month following the date of disability.
4. Tax on insured plans is a % of net premium. Net premium is gross premium less experience refunds. Premium tax is paid by the insurance carrier, and included within the overall premium rate in insured plans.

5. ASO means Administrative Services Only.
6. Sales tax is remitted by the plan sponsor, and is in addition to the overall premium. Any sales tax on employee-paid premium should either be paid by the employee, or reported as a taxable benefit if paid by the employer.
7. GST may also be applicable in some situations.
8. GST of British Columbia will become a 12% harmonized sales tax as of July 1, 2010, and the Ontario GST will become a 13% HST on July 1, 2010.