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## PENSIONABLE SERVICE

### PURPOSE

1. Pensionable service is the period of employment on which pension benefits are earned.

### APPLICATION

2. These guidelines and procedures apply to all employees.

### DEFINITIONS

3. **Public Service** means employees of the Government, the federal public service, and other public servants as defined by Part II Schedule A of the *Public Service Superannuation Act (PSSA)*.
4. **Substantially Continuous Service** means a person becomes a Government employee within three months of leaving the federal public service, the Canadian Armed Forces, or the RCMP.

### PROVISIONS

#### Prior Elective Service

5. An employee may "elect" to count as pensionable certain periods of service for which contributions were not previously required.
6. An "election" is a form of contract between employee and the Superannuation Directorate. The employee agrees to make the payments required for the elected service. When the election is approved, the service is immediately pensionable. If the employee dies before the prior service is fully paid for, this debt is forgiven.
7. An employee may choose to pay for any previous full-time employment in the public service. This includes service for which Superannuation payments were made and later withdrawn.
8. Employees may also elect the following types of prior service:
  - part-time service in excess of 12 hours per week which occurred after January 1, 1980;
  - eligible service with an employer that has a *PSSA*-approved plan;



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- war service or civilian war service;
  - prior service under the *Canadian Forces Superannuation Act* or the *Royal Canadian Mounted Police Superannuation Act*.
9. An employee may transfer pension service from another employer and pension plan, if there is a Pension Transfer Agreement (PTA) in place. Employees normally have one year after changing employment, or after the PTA becomes effective, to make this option. However, each PTA is separate and can have different requirements.
10. Employees may elect a portion, or the entire period, of service. The service elected must be the most recent period.
11. Employees must undergo a medical examination in all cases except when the election is made within the normal one year time limit for making an election and one of the following criterion are satisfied:
- the prior public service is immediately prior to the employee becoming a contributor – there can be no break, even one day, or
  - for prior service where the employee has at least five years of continuous employment – with no breaks in excess of three months, or
  - when an employee makes a valid election for service after age 65, and is no longer contributing to *PSSA* because of being in receipt of *CPP* or *QPP* benefits.

### Leave Without Pay

12. Periods of leave without pay are pensionable, unless the employee makes an option not to count a period of LWOP after the first three months.
13. The contribution rate for periods of leave without pay depends on the length of the leave, and the reason for absence.
14. If leave without pay is for less than three months, there is no change in contribution rate.
15. The employee pays double the employee's normal share after the first three months. Exceptions apply when the Minister of Human Resources certifies that the employee is on leave for one of the following reasons:
- undergoing training that benefits the Government;
  - on maternity, parental or adoption leave, for 52 weeks or less;

	
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- for reason of illness or injury;
  - serving in the Canadian Armed Forces;
  - serving on a federal commission, board, or agency; or
  - serving with an international organization when such service benefits the Government.
16. Deductions can continue when there is enough allowance, or other payments, to cover contributions.
17. After a period of leave without pay, a lump sum payment may be made within 30 days. Alternatively, payments may be deducted in equal amounts over a period twice the length of the period of absence.
18. Payments must be made in advance when an employee is on leave for one of the following reasons:
- on loan to the government of another country;
  - serving as a full-time paid official of a public service employee organization or credit union; or
  - on loan to an international organization.
19. Payments are not allowed if an employee is absent without pay and without leave. This occurs, for example, if an employee is suspended. Such absences are not pensionable.
20. Payments are not required if the period of LWOP occurs after the employee has completed 35 years of pensionable service.
21. Certain limitations exist regarding how much LWOP can be counted as part of an employee's pensionable service, where the LWOP is taken on or after 01 January 1996.
22. Employees contact their Benefits Officer for advice and application forms.

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## **AUTHORITIES AND REFERENCES**

23. *Public Service Superannuation Act and Regulations*
24. Superannuation Administration Manual  
Published by the Department of Supply and Services, Canada

## **CONTACTS**

25. For further information or clarification, please contact:

**Director Compensation and Benefits**  
**Department of Finance**  
**Iqaluit, Nunavut**  
**975-5881**