

	
<p style="text-align: center;"><b>PENSIONS</b></p>	<p style="text-align: center;"><b>Human Resource Manual</b></p>
<p style="text-align: center;"><b>Involuntary Termination</b></p>	<p style="text-align: center;"><b>Section 1703</b></p>

## INVOLUNTARY TERMINATION

### PURPOSE

1. The *Public Service Superannuation Act (PSSA)* contains provisions that affect pension benefits when employment ends for reasons such as disability or lay-off.

### APPLICATION

2. These guidelines and procedures apply to all employees.

### DEFINITIONS

3. **Disability under the PSSA** is “incapable of pursuing regularly any substantially gainful employment”.

### PROVISIONS

4. There are no longer any special procedures or options available to an employee who has been dismissed.
5. An employee with less than two years pensionable service is only entitled to a return of contributions, plus interest.

### Disability

6. An employee with at least two years of pensionable service who is less than 60 years old is entitled to an immediate annuity when a disability termination is approved by Superannuation Directorate.
7. Health Canada must certify that the employee is totally and permanently disabled.
8. Employees must pay for a medical exam by their doctor.
9. Health Canada must confirm the medical evidence of disability and may require a second medical exam. A second exam is at no expense to the employee.
10. A medical exam may be required of an employee on a disability pension if recovery is indicated.

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11. Where Health Canada confirms that the employee is not disabled within the meaning of the *PSSA*, the employee must either continue working, or exercise an option for a benefit from the plan based on their years of service and age.
12. Where an exam indicates recovery, or where an employee fails to comply with an examination request and is deemed to have recovered, payment of the pension is suspended until age 60. With 30 years service payment is suspended until age 55 or until the employee again becomes disabled.

### **Lay-Off**

13. Employees may choose any of the benefits to which their age and years of service entitle them.
14. In cases of layoff after age 55, where the employee has at least 10 years of pensionable service, the reduction normally applied to an annual allowance may be waived.

### **AUTHORITIES AND REFERENCES**

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

### **CONTACTS**

17. For further information or clarification, please contact:

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