# PEPP *Talk* . . .

## working beyond Saskatchewan

This PEPP Talk will provide information on varying pension legislation and how the differences may affect you.

Jurisdiction is the power or right to govern an area, such as: legislation.

Legislation is a law, or set of laws, made by a government.

### Provincial jurisdiction

Each province sets their own rules and parameters surrounding pensions. Your province of employment has jurisdiction over the pension legislation that applies to your account. (Please note: there are some exceptions to this rule. See page 3 to see the parameters around Federal pension legislation)

### What does pension legislation regulate?

Pension legislation sets the rules surrounding things like:

- vesting;
- termination options;
- definition of a spouse;
- pre-retirement death benefit;
- post-retirement survivor; and
- retirement income options, etc.

### How do I know which pension jurisdiction and legislation applies to my pension?

Pension jurisdiction is determined by your province of employment at termination. If you are currently employed, and contributing to a pension plan, your province of work is your pension jurisdiction.

If you are no longer actively contributing, your pension jurisdiction is the province you were working in on the date you terminated employment (stopped contributing to a pension plan). The legislation from that jurisdiction will apply to your pension accumulated while working in that province.

Example:

If you were working in Alberta when you terminated your employment, the province of Alberta would be your pension jurisdiction and Alberta pension legislation would apply your pension.

## What if I worked in more than one province over my career and was a member of multiple pension plans?

If you worked in more than one province or contributed to multiple pension plans, portions of your pension money may be subject to different legislation. It is important to remember that provincial jurisdiction is determined by the date you terminated employment (ceased to be an active member in a plan).

Example:

Tina worked in Ontario and was a member of a pension plan. Then she terminated her employment (ceased to be a member of the Ontario pension plan), got a job in Saskatchewan and started contributing to the Public Employees Pension Plan (PEPP).

Because Tina contributed to pension plans in two different provinces (pension jurisdictions), portions of her pension money will be subject to different legislation. The pension money Tina earned in Ontario would be subject to Ontario legislation and the pension money she earned as a PEPP member would be subject to Saskatchewan legislation; even if she combined her two pension accounts into PEPP.

## Why does it matter which pension jurisdiction applies to my pension?

Knowing which pension jurisdiction applies matters, because the rules surrounding things like vesting and termination may differ between jurisdictions and it is important to know which jurisdiction's legislation applies to your pension.

It's also important to remember that all PEPP communication materials are based on Saskatchewan pension legislation so the information presented may not apply to you if you are subject to another pension jurisdiction.

To help members compare how plan provisions are affected by differing pension legislation, we created the Working Beyond Saskatchewan matrix. (See appendix A to view the Working Beyond Saskatchewan Matrix on page 6 and 7)

## Additional scenarios

I worked in Saskatchewan and contributed to PEPP for 35 years before retiring and moving to Manitoba. Once in Manitoba I got a part-time job, and started contributing to a Manitoba pension plan, while continuing to withdraw my pension from PEPP. Which province's pension legislation applies to me?

The pension money earned while contributing to PEPP would be subject to Saskatchewan legislation and any pension money earned while contributing to a Manitoba pension plan would be subject to Manitoba legislation.

I worked in Ontario for my entire career, but since retiring I have moved to British Columbia. Which province's pension legislation applies to me?

Your pension would be subject to Ontario legislation since it is the last place you were contributing to a pension plan before retiring.

I live and worked in Alberta my entire life and converted to PEPP from the Capital Pension Plan. I am planning my retirement and am interested in the Variable Pension Benefit (VPB) PEPP administers.

> If you retire in Alberta, your pension is under Alberta jurisdiction and Alberta legislation. Therefore, PEPP cannot provide VPB administration for your pension. PEPP can only administer VPB to members if they retire or terminate employment in Saskatchewan.

## Federal Jurisdiction

Pension legislation in Prince Edward Island and the Territories falls under Federal jurisdiction. There are also some industries that fall under Federal jurisdiction regardless of which provinces the member is based.

### What are some examples of federally regulated industries?

- Broadcasting;
- telecommunications;
- chartered banks;
- postal service;
- airports & air transportation; and
- businesses in the Territories and on First Nations and certain Crown Corporations.

### Why is there different legislation for each province?

Unique pension regulations exist because each province was established at a different time and therefore established their own provincial pension legislation.

## Questions

For further information regarding working beyond Saskatchewan, contact:

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Administered by **Plannera Pensions & Benefits**

The information contained in this issue of PEPP Talk does not replace or supersede The Public Employees Pension Act or The Pension Benefits Act, 1992 or related regulations. In the event of any misunderstanding or conflict, the Acts and Regulations will prevail. Please contact PEPP if you are or were working outside Saskatchewan. Your pension may be subject to the legislation of another province. The Public Employees Pension Plan produces issues of PEPP Talk as a service to its members. These documents provide information on specific provisions of the Plan. Plan information is available in a variety of other forms including: issues of PEPP Talk on other topics; our newsletter, "Pension Perspectives"; PEPP Member Booklet; and the PEPP home page pepp.plannera.ca/pensions/pepp/home.html

January 2025

Appendix A

# Working Beyond Saskatchewan

| Plan Provision | PEPP | BRITISH COLUMBIA | ALBERTA | MANITOBA | ONTARIO | FEDERAL |
|---|---|---|---|---|---|---|
| **Vesting** | Immediate | Immediate | Immediate | Immediate | Immediate | Immediate |
| **Termination** | Deferred annuity, transfer to LIRA or another RPP. If eligible for retirement (over age 50) can take any Retirement Income Option. | Deferred annuity, transfer to LIRA or another RPP. If eligible for retirement can take any Retirement Income Option. | Deferred annuity, transfer to LIRA or another RPP. If eligible for retirement can take any Retirement Income Option. | Deferred annuity, transfer to LIRA or another RPP. If eligible for retirement can take any Retirement Income Option. | Deferred annuity, transfer to LIRA or another RPP. If eligible for retirement can take any Retirement Income Option. | Deferred annuity, transfer to LIRA or another RPP or PRPP. If eligible for retirement can take any Retirement Income Option. |
| › Small Benefit | Cash if account balance less than 20% of YMPE | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP |
| **Pre-Retirement Death Benefit** | | | | | | |
| › Spouse/Common-law partner | Survivor benefit equal to account balance at payment date. | Commuted value of vested benefits. Locked-in if deceased member's right to a deferred pension was vested and locked-in. | Commuted value of vested benefits. Locked-in if deceased member's right to a deferred pension was vested and locked-in. | Commuted value of vested benefits. Locked-in if deceased member's right to a deferred pension was vested and locked-in. | Commuted value as lump sum payment, transfer to RRSP or RRIF, or paid as a pension. | Commuted value of vested benefits. |
| › Other Beneficiary or Estate | Commuted value payable as lump sum | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP |
| **Post-Retirement Death Benefit** | Joint pension continues at 60% after death of member. Possibility to waive joint pension by spouse. | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP |
| **Retirement Income Options** | | | | | | |
| › Annuity options | 60% Joint annuity unless spousal waiver | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP |
| › Variable Benefit availability and any maximums | Yes - minimum, but no maximum withdrawals | Yes - Max. amount (LITB - Life Income Type Benefit) | Yes - Max. amount (LITB - Life Income Type Benefit) | Yes - Max. amount | Yes - Max. amount | Yes - Max. amount |
| › Other options - pRRIF, LIF (Life Income Fund), LRIF, RLIF | pRRIF, RRSP, Cash, another pension plan | LIF, LRIF, Cash, RRSP, RRIF, another RPP | LIF, LRIF, RRSP, RRIF | LIF, LRIF, pRRIF | LIF, LRIF, LIRA, RRIF, RRSP, annuity, another RPP | LIF, LRIF, RRSP, another RPP |

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| Plan Provision | PEPP | BRITISH COLUMBIA | ALBERTA | MANITOBA | ONTARIO | FEDERAL |
|---|---|---|---|---|---|---|
| **Waiver** | | | | | | |
| › Beneficiary designation prior to retirement | Revocable. If there is a spouse, requires spousal waiver. Beneficiary designation must be in writing. | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP | Can only be waived in favour of a dependent (as defined in the Income Tax Act). |
| › Joint annuity option prior to pension commencement | Joint pension continues at 60% after death of member. Possibility to waive joint pension by spouse within 90 days before pension commencement. | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP |
| **Spouse** | "spouse" means:<br>(i) a person who is married to a member; or<br>(ii) if a member is not married, a person who is a spouse or commonlaw partner within the meaning of the Income Tax Act (Canada) for the purpose of receiving payments from a pension plan that is registered pursuant to that Act. | The person is married to the member and who was not living separate and apart from the member for more than two years immediately prior to the relevant time; or if the above definition does not apply, at the relevant time, was living and cohabitating with the member in a marriage-like relationship, including a marriage-like relationship between persons of the same gender, and who have been living and cohabitating in that relationship for a period of at least two years immediately preceding the relevant time. | "Pension partner": The person who, at the relevant time, was married to another person and had not been living separate and apart from that other person for three or more consecutive years; or if there is no person to whom the foregoing applies, the person who immediately preceding the relevant time, had lived with that other person in a marriage-like relationship for a continuous period of at least three years; or of some permanence, if there is a child of the relationship by birth or adoption. | The person who is married to the member; or "Common-law partner." The person who with the member, registered a common-law relationship under the Vital Statistics Act; or not being married to the member, cohabitated with him/her in a conjugal relationship for a period of at least three years, if either of them is married, or at least one year, if neither of them is married. | The person who is married to the member; or is not married to the member and who has been living with the member in a conjugal relationship continuously for a period of not less than three years, or who is in a relationship of some permanence if the person and the member are parents of a child, as set out in The Children's Law Reform Act. | The person who is married to the member or who is party to a void marriage with the member; or "Common-law partner": The person who is cohabitating with the member in a conjugal relationship at the relavant time, having so cohabitated with the member for at least one year. If the member has a spouse from whom they are separated and a common-law partner, then spouse means the common-law partner. |
| **Marriage Breakdown** | Division of account balance as per court order or interspousal contract. Max. 50% (Family Law Act) same locked-in provisions as member. | The spouse can decide on how much they would like to split, from 0-100%, must be written in a separation agreement or a court order (Family Law Act). | Split in accordance with Matrimonial Property Order or Matrimonial Property Agreement. Member's remaining pension can't be less than 50%. Same locked-in provisions as member. | Split must be more than 50% in accordance with court order (Family Property Act/ Manitoba PBA) or written agreement. | Split (max. 50%) pursuant to court order (Family Law Act), family arbitration award or domestic contract. | Division of account up to 100%. Provincial Property Law applies to the valuation and distribution of the benefit but otherwise the PBSA applies. |
| **Shortened Life Expectency** | Unlock if medical evidence provided to Board's satisfaction. | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP |

Appendix A

# Working Beyond Saskatchewan

| Plan Provision | PEPP | QUEBEC | NOVA SCOTIA | NEW BRUNSWICK | PEI | NFLD & LABRADOR |
|---|---|---|---|---|---|---|
| **Vesting** | Immediate | Immediate | Immediate | 5 years of continuous service or 2 years of continuous plan membership | Immediate | 2 years |
| **Termination** | Deferred annuity, transfer to LIRA or another RPP. If eligible for retirement (over age 50) can take any Retirement Income Option. | Deferred annuity, transfer to LIRA or another RPP. If eligible for retirement can take any Retirement Income Option. | Transfer to another pension, pooled RPP, prescribed retirement savings arrangement (LIRA, LIF), purchase deferred life annuity. | Transfer to another pension plan, LIRA, LIF, or purchase life annuity or deferred life annuity. | Deferred annuity, transfer to LIRA or another RPP. If eligible for retirement can take any Retirement Income Option. | Transfer to another pension, class or type of retirement savings arrangement as approved by the superintendent, or purchase deferred life annuity. |
| › Small Benefit | Cash if account balance less than 20% of YMPE | Same as PEPP | Lump sum if annual benefit is less than 4% of YMPE or if commuted value is less than 20% of the YMPE. | Payment of commuted value if less than 40% of the YMPE. On termination of employment, administrator may require member to request a transfer of the commuted value if commuted value is less than 10% of YMPE. | Same as PEPP | Lump sum if annual pension benefit is less than 4% of the YMPE or commuted value of the deferred pension benefit if less than 10% of the YMPE |
| **Pre-Retirement Death Benefit** | | | | | | |
| › Spouse/Common-law partner | Survivor benefit equal to account balance at payment date. | Commuted value of vested benefits as lump sum. | Spouse to receive lump sum payment, transfer to registered retirement savings arrangement, immediate or deferred pension | Spouse or common-law partner is entitled to a payment equal to the commuted value. | Value of vested account to spouse/common-law partner (not locked-in). | Principal beneficiary is entitled to a CV, or an immediate pension; CV may be transferred to the locked-in transfer options above |
| › Other Beneficiary or Estate | Commuted value payable as lump sum | Same as PEPP | Lump sum equal to commuted value if there is no spouse or spouse has waived entitlement | Payment equal to the commuted value if member designates a beneficiary and if spouse has waived entitlement (revokable). | Same as PEPP | If no surviving principal beneficiary, the estate receives the commuted value. |
| **Post-Retirement Death Benefit** | Joint pension continues at 60% after death of member. Possibility to waive joint pension by spouse. | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP | Same as PEPP |
| **Retirement Income Options** | | | | | | |
| › Annuity options | 60% Joint annuity unless spousal waiver | Same as PEPP | J&S at least 60% | Life or deferred life annuity. | Same as PEPP | J&S at least 60% |
| › Variable Benefit availability and any maximums | Yes - minimum, but no maximum withdrawals | Yes - Max. amount | Allowed; requires spousal consent. | Not included. | Yes - Max. amount | Not available. |
| › Other options - pRRIF, LIF (Life Income Fund), LRIF, RLIF | pRRIF, RRSP, Cash, another pension plan | LIF (Locked-in), LRIF, LIRA, annuity, another RPP | LIF (Locked-in), LIRA | RRIF (limit of 25% of commuted value), LIF, LIRA | LIF, LRIF | LIF (Locked-in), LIRA |

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| Plan Provision | PEPP | QUEBEC | NOVA SCOTIA | NEW BRUNSWICK | PEI | NFLD & LABRADOR |
|---|---|---|---|---|---|---|
| **Waiver** | | | | | | |
| › Beneficiary designation prior to retirement | Revocable. If there is a spouse, requires spousal waiver. Beneficiary designation must be in writing. | Same as PEPP | Revocable prior to member's death. | Revokable prior to commencement of payment of the pension. | Same as PEPP | Where there is no surviving principal beneficiary, the estate is entitled to receive the commuted value as if the member had ceased membership on day of death. |
| › Joint annuity option prior to pension commencement | Joint pension continues at 60% after death of member. Possibility to waive joint pension by spouse within 90 days before pension commencement. | Same as PEPP | Joint pension continues at 60% after death of either spouse or common-law partner. Possibility to waive joint pension by spouse and member within the year preceding pension commencement. | Joint pension continues at 60% after death of either spouse or common-law partner. Possibility to waive joint pension by spouse and member within the year preceding pension commencement. | Within 12 months preceding pension commencement. | Joint pension continues at 60% after death of either spouse or common-law partner. Possibility to waive joint pension by spouse and member within the year preceding pension commencement. |
| **Spouse** | "spouse" means:<br>(i) a person who is married to a member; or<br>(ii) if a member is not married, a person who is a spouse or commonlaw partner within the meaning of the Income Tax Act (Canada) for the purpose of receiving payments from a pension plan that is registered pursuant to that Act. | The person is married to the member and who was not living separate and apart from the member for more than two years immediately prior to the relevant time; or if the above definition does not apply, at the relevant time, was living and cohabitating with the member in a marriage-like relationship, including a marriage-like relationship between persons of the same gender, and who have been living and cohabitating in that relationship for a period of at least two years immediately preceding the relevant time. | Spouse means either of two persons who:<br>(i) are married to each other,<br>(ii) are married to each other by a marriage that is voidable and has not been annulled by a declaration of nullity,<br>(iii) have gone through a form of marriage with each other, in good faith, that is void and are cohabiting or, where they have ceased to cohabit, have cohabited within the twelve-month period immediately preceding the date of entitlement,<br>(iv) are domestic partners within the meaning of Section 52 of the Vital Statistics Act, or<br>(v) not being married to each other, are cohabiting in a conjugal relationship with each other, and have done so continuously for at least<br>(A) three years, if either of them is married, or<br>(B) one year, if neither of them is married. | Spouse means either of two persons who:<br>(a) are married to each other,<br>(b) are married to each other by a marriage that is voidable and has not been avoided by a declaration of nullity, or<br>(c) have gone through a form of marriage with each other in good faith that is void and have cohabited within the preceding year.<br>Common-law partner generally requires a period of cohabitation of at least 2 continuous years. | The person who is married to the member; or is not married to the member and who has been living with the member in a conjugal relationship continuously for a period of not less than three years, or who is in a relationship of some permanence if the person and the member are parents of a child, as set out in The Children's Law Reform Act. | Spouse means a person who (i) is married to the member, (ii) is married to the member by a marriage that is voidable and has not been voided, or (iii) has gone through a form of a marriage with the member in good faith, that is void and is cohabiting or has cohabited with the member or former member within the preceding year.<br>Cohabiting partner means (i) if the member has a spouse, a person who is not the spouse who has cohabited continuously with the member in a conjugal relationship for not less than 3 years, or (ii) if the member has no spouse, for not less than 1 year. |
| **Marriage Breakdown** | Division of account balance as per court order or interspousal contract. Max. 50% (Family Law Act) same locked-in provisions as member. | The spouse can decide on how much they would like to split, from 0-100%, must be written in a separation agreement or a court order (Family Law Act). | Benefits may be split in accordance with a court order or separation agreement (maximum 50%) | Benefits may be split in accordance with a court order or separation agreement (maximum 50%) | Split (max. 50%) pursuant to court order (Family Law Act), family arbitration award or domestic contract. | Benefits may be split in accordance with a court order or separation agreement (maximum 50%) |
| **Shortened Life Expectency** | Unlock if medical evidence provided to Board's satisfaction. | Same as PEPP | If physician signs a statement re: life expectancy is less than 2 years | Same as PEPP | Same as PEPP | Same as PEPP |