



2025 Bulletin

on Newfoundland and Labrador Social Legislation

beneva

2025 Beneva Bulletin

on Newfoundland and Labrador Social Legislation

We are pleased to present the **2025 Beneva Bulletin on Newfoundland and Labrador Social Legislation**, which summarizes the government programs available to citizens. This document provides information on how these programs and group insurance plans work in synergy to improve the well-being of Newfoundland and Labrador citizens.

The programs covered in this bulletin are tools our society has introduced to improve the conditions of its members. This document highlights legislation that maintains social acquisitions, programs for maintaining citizens' quality of life, as well as measures for supporting and protecting the dignity of fellow citizens who are experiencing difficulties.

It also reflects the solidarity and humanity that defines our society. These values are particularly relevant for the people at Beneva. As a mutual company, our mission is to improve people's lives by putting them at the heart of our thinking and our actions. In publishing this bulletin, we hope to offer a tool to guide organizations and individuals in making choices that promote their physical and financial health.

NOTES:

We recognize that sex is based on the physical and biological characteristics of a person at birth and that gender is a multi-dimensional concept shaped by various factors such as cultural and behavioural norms and personal identity. Given current social change, this concept is also evolving. We use the term "women" to designate people who identify as women. We also recognize that many health issues covered in this document may apply not only to women but also to transgender people and non-binary persons who were assigned the female sex at birth.

In this bulletin, the word "spouse" refers both to people who are married as well as to those who live together.

The measures and programs presented in this document are the responsibility of the various government bodies that administer them and are subject to change. As a result, certain information contained in the document may change after publication. In the event of a discrepancy, the wording of the laws and regulations takes precedence over the information provided in this bulletin.

If you have any comments about the *Beneva Bulletin on Social Legislation*, please email us at bulletin@beneva.ca.

Table of contents

01. Employment Insurance Act	3
02. Canada Child Benefit	8
03. Newfoundland and Labrador Child Benefit	11
04. Newfoundland and Labrador Income Supplement	13
05. Occupational Health and Safety Act	15
06. Labour Standards Act	18
07. Old Age Security Act	21
08. Canada Pension Plan	24
09. Newfoundland and Labrador Seniors' Benefit	28
10. Medical Care Plan	30
11. Prescription Drug Program	34
12. Dental care	36
13. Income Support	38
14. Tax impact of group insurance	40

FEDERAL PLAN

01. Employment Insurance Act

Employment Insurance provides an income to workers who lose their jobs through no fault of their own or who must take a leave from work for illness, the birth or adoption of a child or to be a caregiver.



Premiums paid by employers and workers

Employment Insurance is financed by premiums paid by employers and workers.

Parameters	2025		2024	
Maximum yearly insurable earnings	\$65,700		\$63,200	
Employees	Canada, except Quebec	Quebec¹	Canada, except Quebec	Quebec¹
Premium rate per \$100 of gross insurable earnings	1.64%	1.31%	1.66%	1.32%
Maximum annual premium	\$1,077.48	\$860.67	\$1,049.12	\$834.24
Employers	Canada, except Quebec	Quebec¹	Canada, except Quebec	Quebec¹
Premium rate per \$100 of gross insurable earnings (1.4 times the employee's premium)	2.296%	1.834%	2.324%	1.848%
Maximum annual premium	\$1,508.47	\$1,204.94	\$1,468.77	\$1,167.94

1. Quebec has its own parental benefits plan. This is why the rates are lower than those in effect elsewhere in Canada.

Regular benefits

To be eligible for regular Employment Insurance benefits, workers must have accumulated the required number of insurable employment hours for a reference period, i.e. between 420 and 700 hours based on the unemployment rate in their area.

They must also:

- Have lost their job through no fault of their own
- Not worked or received earnings for at least 7 consecutive days in the last 52 weeks
- Be able to work each day
- Be actively seeking employment

Note: Different eligibility criteria may apply to certain groups of workers such as farmers, fishers, workers or residents outside Canada and self-employed workers.

Payment amount and calculation of regular benefits

Parameters	Terms
Waiting period before receiving benefits	7 days
Benefits	55% of the average insurable earnings of the 14 to 22 best weeks over the past 52 weeks, based on the regional unemployment rate
Maximum weekly benefits	\$695
Duration	14 to 45 weeks, based on the unemployment rate in the region

Sickness benefits

To be eligible for Employment Insurance sickness benefits, workers must have accumulated 600 insurable hours of work during the reference period.

They must also:

- Be unable to work for medical reasons
- Have experienced a more than 40% reduction of their weekly earnings for at least one week
- Provide a medical certificate

Calculation and payment of sickness benefits

Parameters	Terms
Waiting period before receiving benefits	7 days
Benefits	55% of insurable earnings
Maximum weekly benefits	\$695
Maximum duration	26 weeks



Irene, director of human resources in a manufacturing SME

Age	42
Objective	Attract and retain employees amid a labour shortage
Challenge	Maximize benefits without increasing company costs

In her search for ways to attract and retain employees without raising her company's expenses, Irene comes across the [EI Premium Reduction Program](#). By maximizing the short-term disability plan in place at her SME, she could offer better coverage for her employees while also reducing costs.

The game plan

Curious to learn more, she discusses it with her group insurance advisor. Together, they review the company's current short-term disability coverage.

He suggests adjusting the plan to:

- Cover at least 15 weeks of disability.
- Provide benefits equal to or greater than those provided by Employment Insurance
- Reduce the elimination period to seven days
- Make sure that benefits are paid within eight days of the illness or injury
- Provide coverage to employees within three months of hiring.

The result

Irene receives a reduction of \$0.35 for every \$100 of insurable earnings.

The result: substantial savings, enhanced employee coverage, and a more competitive company. Excited, Irene shares these changes with her staff to strengthen their commitment to the company.

Maternity and parental benefits

Maternity and parental benefits provide financial aid to parents who are on leave from work to care for a newborn or a newly adopted child.¹

To qualify for coverage, applicants must:

- Have experienced a drop in earnings of more than 40% for at least one week
- Have accumulated at least 600 insurable hours of work during the reference period

Maternity benefits

Maternity benefits are paid to biological mothers, including surrogate mothers, who cannot work because they are pregnant or have recently given birth.

The benefits cannot be shared between the two parents. The mother receiving maternity benefits may also be entitled to receive parental benefits.

Parental benefits

Parental benefits are paid to the parents of a newborn or newly adopted child. Parents must choose between two options: standard parental benefits or extended parental benefits.

Each parent must submit their own application. Parents sharing benefits must each choose the same option. Once they start receiving parental benefits, they cannot change options. They can receive their benefits at the same time or one after another.

Calculation of parental benefits

Type of benefits	Maximum weeks	Benefit rate	Weekly maximum
Maternity	15 weeks	55%	\$695
Parental			
Standard	40 weeks Can be shared, but one parent cannot receive more than 35 weeks of standard benefits	55%	\$695
Extended	69 weeks Can be shared, but one parent cannot receive more than 61 weeks of extended benefits	33%	\$417

1. Quebec has its own program, the Québec Parental Insurance Plan, that provides maternity, paternity and adoption benefits.

Caregiving benefits

Caregiving benefits provide financial assistance to individuals who must take time away from work to care for or support a close relative who is critically ill or injured or who needs end-of-life care.

To be eligible, the applicant must have accumulated at least 600 insurable hours of work during the reference period.

They must also:

- Be a family member or a person who is considered a family member of this person
- Have experienced a more than 40% reduction of their weekly earnings for at least one week because they are on leave from work to provide care or support to the person
- Provide a medical certificate confirming that the person is seriously ill or injured or in need of end-of-life care

The weeks of benefits may be shared by eligible caregivers. In this situation, they can receive their weeks of benefits at the same time or one after another.

Calculation and payment of caregivers' benefits

Parameters	Terms
Waiting period before receiving benefits	7 days
Benefits	55% of insurable earnings
Maximum weekly benefits	\$695
Maximum duration of benefits ¹	
Family caregiver benefit for children	35 weeks
Family caregiver benefit for adults	15 weeks
Compassionate care benefits	26 weeks

1. Benefits can be paid for up to 52 weeks following the date the person is certified as critically ill or injured or in need of end-of-life care.

Working while on claim

Individuals who earn employment income may continue receiving part of their benefits. For each dollar earned, they may keep \$0.50 of the Employment Insurance benefits up to the earnings threshold. This threshold is defined as 90% of the insurable weekly earnings used to calculate the benefit amount. Each dollar that exceeds this threshold is deducted from the benefits.

For more information:

[Employment Insurance – Working While on Claim](#)

Additional information

[Employment Insurance benefits](#)

FEDERAL PLAN

02. Canada Child Benefit

The Canada Child Benefit (CCB) is paid every month to families who have children under 18. The CCB may include the Child Disability Benefit (CDB), where applicable. These benefits are not taxable.



Eligibility

To be eligible for the CCB, the applicant must:

- Live with a child under age 18
- Be designated as [primarily responsible for the care and upbringing of the child](#)
- Be a [resident of Canada for tax purposes](#)
- Have one of the following statuses or have a spouse with one of the following statuses:
 - Canadian citizen
 - Permanent resident
 - Protected person
 - Temporary resident of Canada for the last 18 months and have a valid permit as of the 19th month
 - Be registered, or entitled to be registered, under the Indian Act

Benefits

Benefits are paid over a 12-month period from July of one year to June of the following year.

The information used to calculate the benefit is:

- The number of children living with the person primarily responsible for their care and upbringing
- The age of the children
- The primary caregiver's marital status
- The adjusted family income indicated on line 236 of the income tax return and to which is added the net income of the spouse, where applicable
- The eligibility of a child for the Child Disability Benefit

Basic Benefit for the period of July 2024 to June 2025

For the period of July 2024 to June 2025, households with a net income under \$36,502 receive the maximum allowance for each child:

- Under age 6: \$7,787 per year (\$648.91 per month)
- Age 6 to 17: \$6,570 per year (\$547.50 per month)

When the adjusted family income exceeds \$36,502, the allowance is reduced in accordance with the terms indicated in the following table.

CCB reduction based on adjusted family income

Number of children	Reduction according to adjusted family income level (% of amount exceeding the established threshold)	
	Between \$36,502 and \$79,087	Over \$79,087
1 child	7%	\$2,981 + 3.2%
2 children	13.5%	\$5,749 + 5.7%
3 children	19%	\$8,091 + 8%
4 children or more	23%	\$9,795 + 9.5%

Child Disability Benefit

The Child Disability Benefit is paid in addition to the CCB.

For the period of July 2024 to June 2025, the basic amount of this benefit is \$3,322 (\$276.83 per month) for each eligible child.

The CDB is reduced when adjusted family net income is greater than \$79,087. The reduction is calculated according to the terms indicated in the table below.

CDB reduction based on family income

Number of eligible children	Adjusted family income above \$79,087 (% of the portion exceeding the established threshold)
1 child	3.2%
2 or more	5.7%

Additional information

[Canada Child Benefit](#)



Yasmina, new mother

Age 29

Objective To make sure she receives the benefits she's entitled to in order to cover her baby's expenses.

Yasmina has just had her first child. She knows she's entitled to benefits and wants to make sure she receives all the amounts she's entitled to, including the Canada Child Benefit (CCB).

Three ways to apply

She looks into the options for when and how to submit a CCB application:

1. [Automated Benefits Applications](#) through her province or territory's vital statistics office
 - On her child's birth registration form, Yasmina can check a box authorizing her province or territory's vital statistics office to communicate the necessary information to the Canada Revenue Agency (CRA).
 - The application must be submitted within 30 days following her child's date of birth.
2. Registering online to access [My Account](#)
 - Yasmina can register for My Account on the CRA website and submit her application.
 - She can track the status of her file in real time.
3. *Canada Child Benefit Application includes federal, provincial, and territorial programs (by mail)*
 - [RC66](#) Canada Child Benefit Application can be used to apply for all federal, provincial, and territorial child benefit programs.
 - This method involves longer delays due to postal processing.

The result

Yasmina chooses the online application, which is quicker and easier to track. A few weeks later, she received confirmation that her application had been accepted. The CCB is deposited directly into her account.

During her research, Yasmina learned that the CCB is recalculated every July based on the income declared the previous year. To ensure their CCB payments continue without interruption, she and her partner must file their tax returns on time.

PROVINCIAL PLAN

03. Newfoundland and Labrador Child Benefit



The Newfoundland and Labrador Child Benefit (NLCB) is a provincial tax credit paid monthly to help low-income families with the cost of raising children under 18 years of age. It is combined with the Canada Child Benefit (CCB) into a single monthly payment.

Maximum benefit

The NLCB is paid to households with a net family income below \$28,500. The amount is based on the number of children in the household and adjusted family net income.

Eligible families with a net family income below \$17,397 receive the maximum benefit amount. Families with an income between \$17,397 and \$28,500 receive a reduced benefit.

They are indexed on January 1 of each year.

Maximum benefit amount based on family size (July 2024 to June 2025)

Number of children	Monthly benefit	Annual benefit
1 child	\$152.16	\$1,825.92
2 children	\$313.49	\$3,761.76
3 children	\$486.74	\$5,840.88
4 children	\$672.90	\$8,074.80
Each additional child	\$186.16	\$2,233.92

Prenatal-Early Childhood Nutrition Supplement

The Prenatal-Early Childhood Nutrition Supplement (PECNS) is a monthly financial benefit available to low-income pregnant individuals and families with children under one year old. It is intended to help with the cost of extra food during pregnancy and infancy.

To be eligible, net household income must not exceed \$28,500. The benefit is \$150 per month per child under age one.

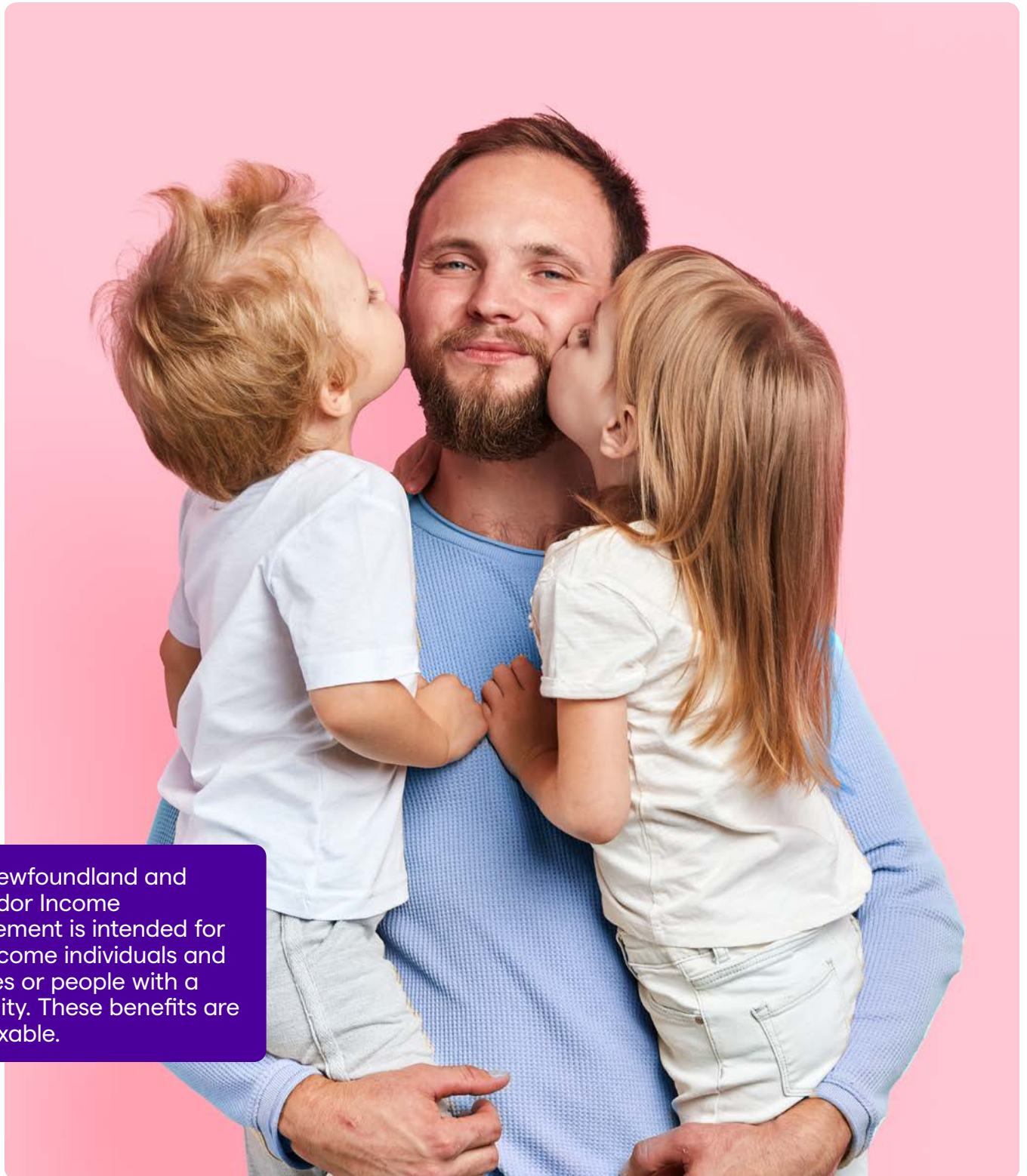
These programs are fully funded by the Government of Newfoundland and Labrador and administered by the Canada Revenue Agency.

Additional information

[Newfoundland and Labrador Child Benefit](#)

PROVINCIAL PLAN

04. Newfoundland and Labrador Income Supplement



The Newfoundland and Labrador Income Supplement is intended for low-income individuals and families or people with a disability. These benefits are not taxable.

Supplement amount

The payment amount is based on family situation and adjusted family net income from the previous year. There is no need to apply for this benefit. However, applicants must file their annual income tax report to obtain benefits.

The amount is combined with the quarterly federal GST/HST credit payment. It is fully funded by the Government of Newfoundland and Labrador.

Calculating Income Supplement benefits

Specifications	Amount
Base amount	\$254
Maximum amount	\$520 ¹
Amount for spouse	\$69
Amount for eligible children	\$231
Amount for individuals claiming the Disability Tax Credit	\$231
Phase-in income threshold	\$15,000
Lower phase-out income threshold ²	\$40,000

1. Additional amount of \$266 to be phased in at a rate of 5.32% for family net income in excess of \$15,000. Eligible individuals with family net income of \$20,000 to \$40,000 will receive the maximum benefit of \$520.

2. The phase out of the benefit begins at family net income of \$40,000 at a rate of 9%.

Newfoundland and Labrador Disability Benefit

The Newfoundland and Labrador Disability Benefit is a supplementary amount paid with the Newfoundland and Labrador Income Supplement to help low- and modest-income individuals with disabilities.

To be eligible, individuals must be:

- Eligible for the federal GST/HST credit and the Newfoundland and Labrador Income Supplement
- Eligible for the Disability Tax Credit

The maximum annual amount payable is \$231. Couples where both partners are eligible for the Disability Tax Credit receive \$462.

Additional information

[Newfoundland and Labrador Income Supplement](#)

PROVINCIAL PLAN

05. Occupational Health and Safety Act

The *Occupational Health and Safety Act* provides benefits for workers who are unable to perform their job due to a work-related injury. It also provides support for returning to work. The plan is administered by WorkplaceNL.



Average premium rate

The public workers' compensation plan for work-related injuries and diseases is financed by annual contributions from employers. Premiums vary depending on the employers' operations.

The 2025 average premium rate is set at \$1.73 per \$100 of assessable payroll. This is the same rate as in 2024.

Annual insurable earnings

The benefit amount is based on the person's gross earnings. This is the income set out in the work contract and includes all forms of remuneration such as bonuses, tips, premiums and overtime.

Gross earnings must be taken into account up to the maximum annual compensable earnings in effect at the time of the injury. The maximum insurable earnings ceiling for 2025 is \$79,345, which is \$2,390 up from 2024.

Benefits paid to workers

WorkplaceNL pays various types of benefits to workers who can't work due to work-related injury or illness.

Wage-replacement benefits

WorkplaceNL pays wage-loss benefits to workers who are unable to perform their job due to a work-related injury. They start on the day the injury occurs. Injured workers are entitled to benefits equal to 85% of their net earnings, up to a maximum insurable amount of \$79,345.

Permanent functional impairment benefit

If a work-related injury causes a permanent functional impairment, the injured worker may qualify for a lump-sum benefit. It is paid in addition to the wage-loss benefit.

The permanent functional impairment benefit amount is calculated by multiplying the injured worker's average earnings at the time of the injury and the physical impairment rating determined by an assessment.

The minimum award is \$1,000 but it cannot exceed the maximum annual insurable earnings during the year the accident occurred.

Death benefits

Benefits may be available to the dependent spouse and children of a worker who dies as the result of a work-related accident.

Survivor benefits

Survivor	Amount
Surviving spouse	<p>Lump-sum payment</p> <p>The greater of the following amounts:</p> <ul style="list-style-type: none"> • 26 times the worker's average weekly net earnings at the time of injury • \$24,000 if death occurs after January 1, 2024 or • \$15,000 if death occurs before January 1, 2024 <p>Monthly payments</p> <ul style="list-style-type: none"> • 85% of the worker's average weekly net earnings at the time of the injury (subject to the maximum annual insurable earnings), less a survivor's pension payable to the surviving spouse under the Canada Pension Plan <p>Benefits are paid monthly until the date the worker would have turned age 65</p>
Surviving dependent children	<p>Lump-sum payment</p> <p>If there is no surviving spouse, the greater of the following amounts:</p> <ul style="list-style-type: none"> • 26 times the worker's average weekly net earnings at the time of injury • \$24,000 if death occurs after January 1, 2024 or • \$15,000 if death occurs before January 1, 2024 <p>This sum is shared equally between all dependent children.</p>
Burial and related expenses	\$10,000

Healthcare benefits

WorkplaceNL covers the costs of healthcare services necessary for the injured worker's recovery, including:

- Physiotherapy, chiropractic care or acupuncture treatment
- Medical tests and surgeries
- Prescription medication
- Medical devices, such as hearing aids
- Travel, accommodation and meals
- Home modifications for more serious injuries



A CLOSER LOOK AT GROUP INSURANCE

Work-related injury:
What about disability insurance?

When a person sustains a work injury and the employer provides a disability insurance plan, who pays the indemnities: WorkplaceNL or the private plan? It could be both. First WorkplaceNL assesses the claim. It pays the indemnities set out in law. The private plan may supplement the basic coverage.

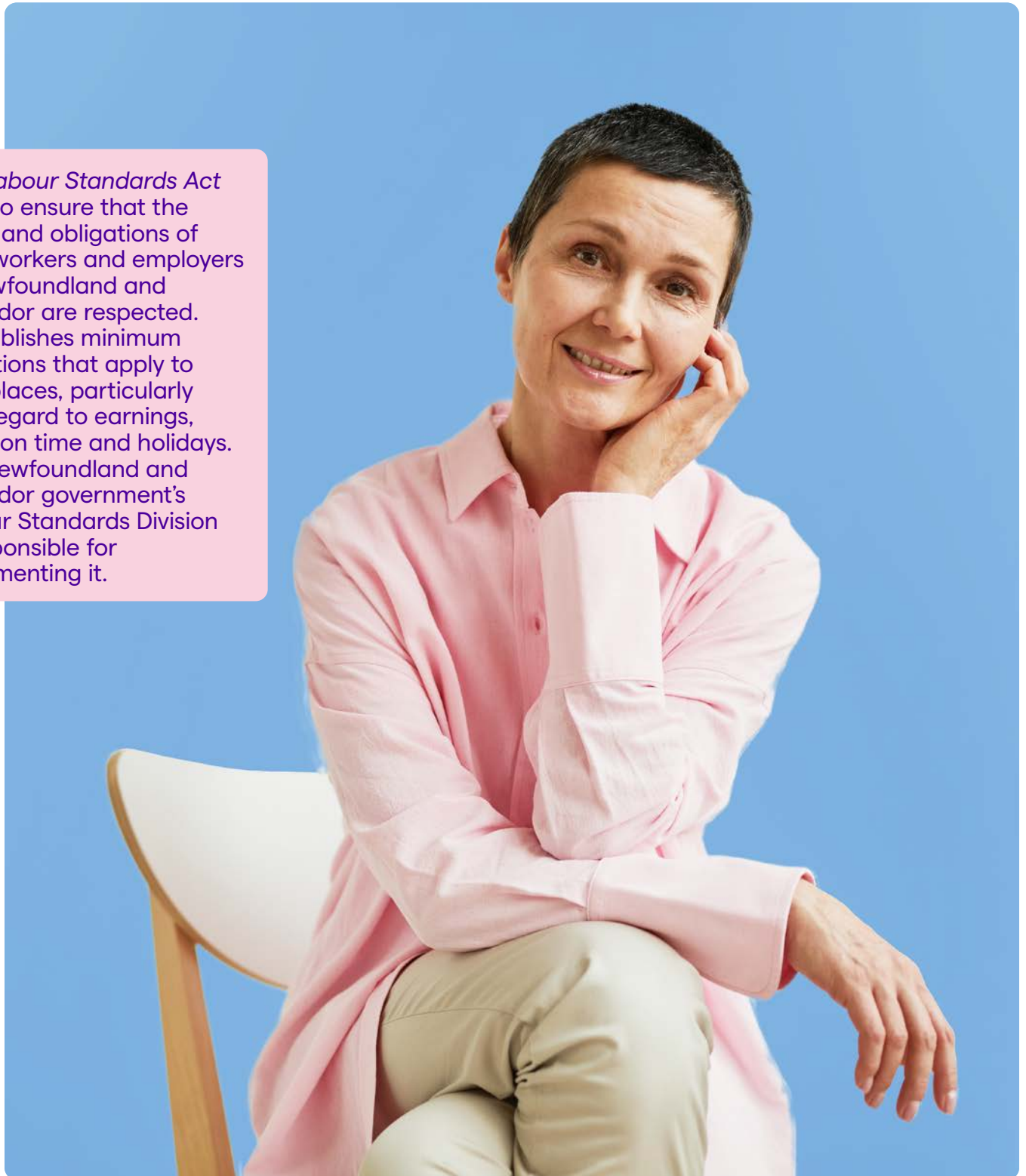
In other words, WorkplaceNL is the first payor and the private insurance company is the second payor. The insurer calculates benefits taking into account the amounts paid by the public plan. This is called "coordination of benefits." It reflects a central principle of insurance: Combined benefits should not exceed the amount of income the person earned before disability. Coordination also applies to other benefits such as those for rehabilitation treatments or drugs that may be covered by a group insurance plan.

Additional information

[WorkplaceNL](#)

06.Labour Standards Act

The *Labour Standards Act* aims to ensure that the rights and obligations of both workers and employers in Newfoundland and Labrador are respected. It establishes minimum conditions that apply to workplaces, particularly with regard to earnings, vacation time and holidays. The Newfoundland and Labrador government's Labour Standards Division is responsible for implementing it.



Absences

Workers are entitled to certain leaves from work without jeopardizing their employment. The following table gives an overview of allowable leaves, maximum length and entitlement conditions. Unless otherwise indicated, these are unpaid leaves.

Job-protected leaves

Leave	Maximum length	Eligibility
Sick and family responsibility leave	7 days per calendar year	Worked at least 30 days for the same employer Provide a medical certificate for a leave of 3 or more consecutive days
Leave for long-term illness, injury or organ donation	27 weeks If the leave is the result of a criminal act: 104 weeks	Worked at least 30 days for the same employer Provide a medical certificate
Bereavement leave	30 days or more of employment: 1 day paid leave and 2 days unpaid leave Less than 30 days of employment: 2 days unpaid leave	All employees
Compassionate care leave	28 weeks within a 52-week period	Worked at least 30 days for the same employer Provide a medical certificate stating the family member has a serious medical condition with a high risk of death within 26 weeks
Family violence leave	10 days per calendar year: • 3 days paid leave • 7 days unpaid leave	Worked at least 30 days for the same employer Provide notice indicating the leave period and leave entitlement
Critical illness leave (child)	37 weeks	Worked at least 30 days for the same employer Provide a medical certificate indicating the duration of the leave and written notice of at least 2 weeks
Critical illness leave (adult)	17 weeks	Worked at least 30 days for the same employer Provide a medical certificate indicating the duration of the leave and written notice of at least 2 weeks
Crime-related child death or disappearance leave	Disappearance: 52 weeks Death: 104 consecutive weeks	Worked at least 30 days for the same employer Give at least 2 weeks' written notice indicating the duration of the leave if possible and documents justifying leave entitlement
Pregnancy leave	17 consecutive weeks	Worked at least 20 weeks for the same employer Give at least 2 weeks' written notice The leave cannot start earlier than 17 weeks before the expected delivery date
Parental leave	61 weeks	Worked at least 20 weeks for the same employer Give at least 2 weeks' written notice
Adoption leave	17 consecutive weeks	Worked at least 20 weeks for the same employer Give at least 2 weeks' written notice

Note: The law provides for other job-protected leaves, including leave for reservists and communicable disease emergency leave.

Annual vacation

Workers are entitled to two weeks of paid vacation for each full year of employment.

The number of vacation weeks and vacation pay are based on seniority:

- **Less than 15 years:** 2 weeks of vacation and 4% of gross earnings
- **As of the 15th year:** 3 weeks of vacation and 6% of gross earnings

Minimum wage

Effective date	Hourly rate
April 1, 2024	\$15.60
April 1, 2025	\$16

Standard work week

A standard work week is 40 hours. The standard work week is used to determine at what point workers begin to do overtime, in which case the regular hourly rate must be increased by 50% (time-and-a-half). Some exceptions are provided for under the law.

Public holidays

Most employees are entitled to take public holidays off work and be paid public holiday pay. When the holiday falls on a non-working day, the employer can offer the employee another working day off with pay in lieu of the holiday or a regular day's pay for the holiday.

Employees who work on public holidays are entitled to one of the following options:

- Wages at twice their regular rate for the hours worked on the holiday
- An additional day off with pay within 30 days
- An additional vacation day on a date agreed upon with the employer

Additional information

[Labour Standards Division](#)

FEDERAL PLAN

07. Old Age Security Act

The Old Age Security plan is an essential piece of Canada's public pension system. It provides citizens with a basic income when they reach retirement age.



Eligibility

The *Old Age Security Act* includes four benefits aimed at specific segments of the population, based on financial and conjugal situations. Entitlement is based on the eligibility conditions indicated below.

Type of benefits	Eligibility
Old Age Security Pension 	<ul style="list-style-type: none"> • Be age 65 or older • Be a Canadian citizen or have legal resident status when the application for the pension is approved • Must have resided in Canada for at least 10 years since age 18 <p>Other criteria apply to eligible individuals who reside outside of Canada.</p>
Guaranteed Income Supplement (GIS) Provides additional income to low-income seniors living in Canada	<ul style="list-style-type: none"> • Receive the OAS pension • Be a Canadian citizen or have legal resident status • Live in Canada • Have an income below the maximum annual income threshold for GIS (see the table on the next page)
Allowance Offered to low-income seniors	<ul style="list-style-type: none"> • Must be the spouse of a person who receives the GIS • Must be age 60 to 64 • Be a Canadian citizen or have legal resident status • Must have resided in Canada for at least 10 years since age 18 • Report a combined (for the couple) annual income below the maximum annual income threshold for the Allowance
Allowance for the Survivor Additional income for low-income seniors	<ul style="list-style-type: none"> • Had a spouse who has died, and has not remarried or lived in a common-law union within 12 months since the death • Must be age 60 to 64 • Be a Canadian citizen or have legal resident status • Must have resided in Canada for at least 10 years since age 18 • Report an annual income below the maximum annual income threshold for the Allowance for the Survivor

Payment amounts

Old Age Security payments are revised on a quarterly basis (January, April, July and October) to reflect the cost-of-living increase as determined by the Consumer Price Index.

Maximum payments and income thresholds – January to March 2025

Situation	Maximum amount ¹	Income level cut-off ²	Income level cut-off for top-ups
Old Age Security pension (OAS)^{3, 4}			
Age 65 to 74	\$727.67	\$148,451	n/a
Age 75 or over	\$800.44	\$154,196	n/a
Guaranteed Income Supplement (GIS)			
Single, widowed or divorced	\$1,086.88	\$22,056	\$10,112
Spouse/common-law partner of someone who:			
Does not receive the OAS pension	\$1,086.88	\$52,848	\$20,224
Receives the OAS pension	\$654.23	\$29,136	\$8,608
Receives the Allowance	\$654.23	\$40,800	\$8,608
Allowance⁴	\$1,381.90	\$40,800	\$8,608
Allowance for the Survivor	\$1,647.34	\$29,712	\$10,112

1. The maximum amount includes top-ups to the Guaranteed Income Supplement and Allowances.

2. The income level cut-offs do not include the OAS pension, the first \$5,000 of employment or self-employment income and 50% of employment or self-employment income between \$5,000 and \$15,000.

3. The OAS pension repayment range in 2025 is for net world income, from \$93,454 to \$151,668 including OAS, for individuals age 65 to 74. For those age 75 and over, the upper threshold is \$157,490.

4. Individuals can defer receiving the OAS pension beyond age 65 in exchange for a higher pension. The monthly OAS pension is increased by 0.6% for every month it is delayed up to a maximum of 36% at age 70.

Additional information

[Public pensions](#)

FEDERAL PLAN

08. Canada Pension Plan

The Canada Pension Plan (CPP) retirement pension is a taxable monthly benefit that provides partial income replacement upon retirement. Those who qualify receive the CPP retirement pension for the rest of their lives.



Eligibility

For entitlement to benefits from the CPP, applicants must:

- Be at least 60 years old
- Have made at least one valid contribution to the CPP

Contributions

Every person over the age of 18 who works in Canada and earns more than \$3,500 per year must contribute to the CPP. Employees pay half the required contributions and their employer pays the other half. Those who are self-employed pay 100% of the contribution.

At age 70, workers no longer contribute to the CPP, even if they are still working.

The contribution amount is based on employment income. The contribution rate is indexed on January 1 of each year.

2025 CPP contributions

Contributions	
Maximum annual pensionable earnings	\$71,300
Additional maximum annual pensionable earnings (CPP2) ^{NEW}	\$81,200
Basic exemption	\$3,500
Contribution rate	
Employees and employers	5.95%
Self-employed workers	11.90%
Contribution rate – second additional contribution (CPP2)	
Employees and employers	4%
Self-employed workers	8%
Maximum contribution	
Employees and employers	\$4,034.10
Self-employed workers	\$8,068.20
Maximum contribution – second additional contribution (CPP2)	
Employees and employers	\$396
Self-employed workers	\$792



Mei-Lin, financial advisor

Age	36
Annual income	\$75,000
Objectives	<ul style="list-style-type: none">• Understand the impact of changes to the Canada Pension Plan (CPP) on her contributions and net salary.• Adjust her budget based on the new contributions while advising her clients on these changes.

Since January 1, 2024, the Canada Pension Plan (CPP) has been revised with the introduction of a second earnings ceiling. Mei-Lin recognizes that she'll have to contribute more, but she wants to grasp the full impact on her net salary and be prepared for any financial changes. This will not only help her optimize her personal budget, but also enable her to offer more informed advice to her clients on specific financial decisions.

The game plan

To gain a clearer understanding of the impact of these new rules, Mei-Lin examines the changes that will take effect in 2025.

First earnings ceiling: \$68,500

Mei-Lin continues to contribute at the standard rate on her income up to the previous threshold, with no significant changes compared to previous years.

Second earnings ceiling: \$68,500 to \$73,200

A new 4% contribution applies to earnings between \$68,500 and \$73,200. Since Mei-Lin earns \$75,000, she is impacted and must contribute 4% on an additional \$4,700.

Calculation: 4% of \$4,700 = \$188 in additional contributions for 2025.

Total contributions for 2025

Compared to 2023, Mei-Lin will pay approximately \$300 more in CPP contributions, which includes the standard annual increase as well as the new contribution threshold.

The result

Although the increase is relatively modest, Mei-Lin must adjust her budget to accommodate the additional \$300 in contributions for 2025. She adjusts her finances to account for the \$300 in additional contributions for 2025.

As a financial advisor, she also informs her clients about the upcoming changes and their potential impact on their income. She uses the [Canada Revenue Agency \(CRA\)](#) online tools to track her contributions.

Benefits

The standard age to start collecting CPP benefits is 65. Workers, however, can take a permanently reduced pension as early as age 60.

Contributions entitle workers to the following benefits:

- Retirement pension
- Post-retirement benefit
- Disability benefits
- Survivor benefit

The CPP allows pension splitting for married or common-law couples and credit splitting for divorced or separated couples under certain conditions.

A contributor who wishes to receive benefits must submit an application.

CPP benefits as of January 2025¹

Type of benefits	Maximum monthly amounts		
	Portion based on standard rate	Portion based on earnings	Total
Retirement and post-retirement pensions			
Retirement pension (at age 65)	n/a	\$1,433	\$1,433
Post-retirement pension (at age 65)	n/a	\$47.82	\$47.82
Disability pension			
Disability pension	\$598.49	\$1,074.75	\$1,673.24
Post-retirement disability benefit	\$598.49	n/a	\$598.49
Survivor's pension			
Survivor's pension – under age 65	\$233.50	\$537.38	\$770.88
Survivor's pension – age 65 and over	n/a	\$859.80	\$859.80
Children's benefits			
Children of disabled CPP contributor	\$301.77	n/a	\$301.77
Children of deceased CPP contributor	\$301.77	n/a	\$301.77
Death benefit (one-time payment)			
Combined benefits	\$2,500	n/a	\$2,500
Survivor/Retirement pension (at age 65)	n/a	\$1,449.53	\$1,449.53
Children of CPP contributor	n/a	\$1,683.57	\$1,683.57

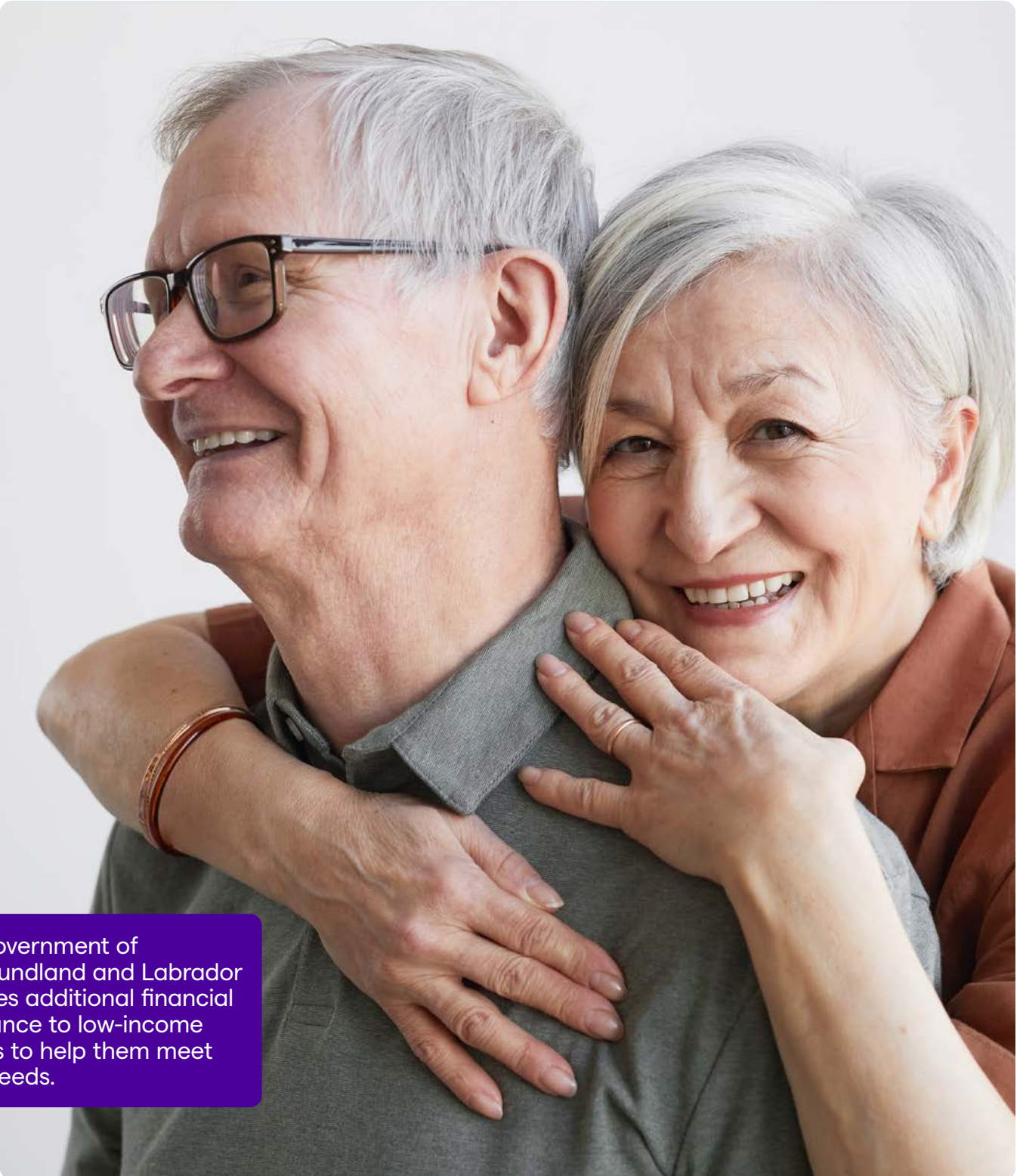
1. The amounts shown in this table are maximum amounts for new CPP benefits beginning in January 2024. They are enhanced each month (monthly data available at [Statistics on CPP monthly maximum amounts for new benefits](#)).

Additional information

[Canada Pension Plan](#)

PROVINCIAL PLAN

09. Newfoundland and Labrador Seniors' Benefit



The Government of Newfoundland and Labrador provides additional financial assistance to low-income seniors to help them meet their needs.

Eligibility

To qualify for this benefit, the person must be age 64 or over by December 31 of the taxation year.

Benefit amount

The maximum benefit is \$1,516.

Whether single or as a couple, seniors with family net income of up to \$29,402 are eligible.

Seniors will get part of this payment if their adjusted family net income is between \$29,402 and \$42,404.

The payment is combined with the quarterly federal GST/HST credit payment. This program is fully funded by the Government of Newfoundland and Labrador and administered by the Canada Revenue Agency.

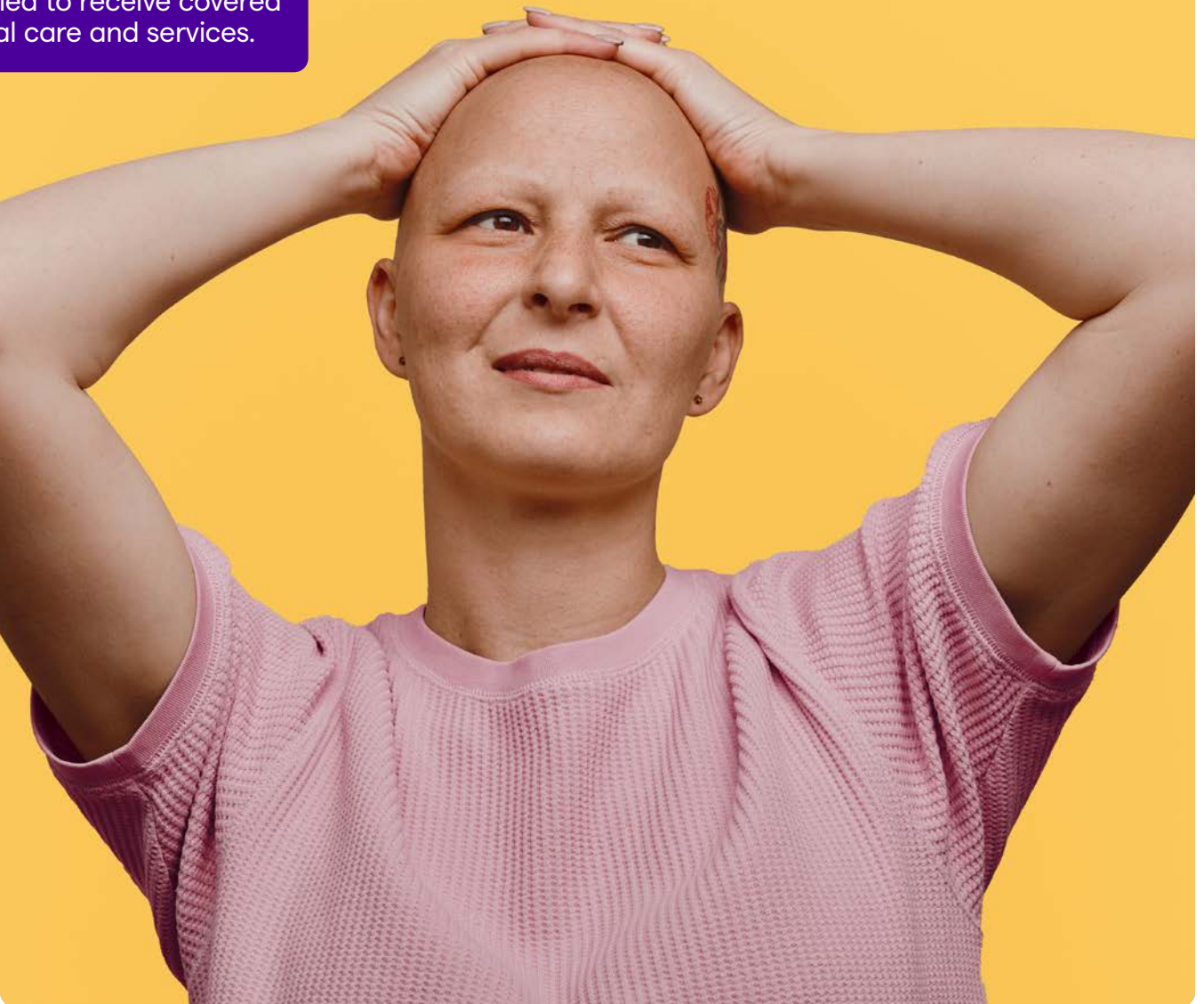
Additional information

[Newfoundland and Labrador Seniors' Benefit](#)

PROVINCIAL PLAN

10. Medical Care Plan

Newfoundland and Labrador's Medical Care Plan (MCP) allows citizens to access health care at no charge. A person who presents a valid MCP card in an establishment that is part of the public health network is entitled to receive covered medical care and services.



Eligibility

To qualify for coverage, applicants must:

- Be Canadian citizens or permanent residents lawfully entitled to be or remain in Canada
- Be permanent residents of Newfoundland and Labrador

It is the responsibility of each individual to register themselves and their dependents who reside in the province. People who are covered under the plan receive an MCP card with a personal health identity number. This card must be presented when receiving MCP-insured services.



A CLOSER LOOK AT GROUP INSURANCE

Group insurance:
Stand out as an employer

The current labour shortage is causing problems for many employers and there is strong competition to attract and retain talent. Organizations attempt to increase their pool of choice candidates by devising original strategies. Those who offer a comprehensive benefits plan have an edge on the competition. Access to generous health insurance coverage is number one on the list of items likely to tip the scales in their favour.

Job candidates are looking for benefits such as only having to pay a fraction of the fees for physiotherapy, acupuncture or occupational therapy; obtaining medical imaging appointments more rapidly; consulting a psychologist through an employees' assistance program or paying a portion of healthcare costs with a health spending account. Plus a labour force that is healthy is a valuable asset for an employer.

Overview of covered care and services

Care or services	Coverage
Medical services	<ul style="list-style-type: none"> • Visits to a physician's office, hospital or beneficiary's residence • Surgical, diagnostic and therapeutic procedures, including anaesthesia • Pre- and post-operative care • Complete maternity care • Radiology interpretive services • Certain surgical-dental procedures which are medically necessary to be performed in hospital by a dentist or oral surgeon
Hospital services	<ul style="list-style-type: none"> • Accommodation and meals in a standard ward • Accommodation in a private or semi-private room if provided for medical reasons or if standard accommodation is not available • Nursing services • Laboratory, X-ray and other diagnostic procedures, including EKG, nuclear medicine, respiratory therapy • Drugs • Medical and surgical supplies • Operating room, labour and delivery • Use of radiotherapy facilities and radioactive isotopes where available • Rehabilitative services, e.g. physiotherapy, occupational therapy, audiology, speech language pathology • Surgery and out-patient services
Diagnostic services	Laboratory, X-ray and other diagnostic procedures, including EKG, nuclear medicine, respiratory therapy
Optometry (vision care)	<p>Children preparing for kindergarten who are not covered by private insurance:</p> <ul style="list-style-type: none"> • 1 comprehensive eye exam • 1 pair of prescription eyeglasses (if required)

Overview of covered care and services (continued)

Care or services	Coverage
Dental care	<p>All insured persons</p> <p>Certain surgical-dental procedures which are medically necessary and performed in hospital by a dentist or oral surgeon</p> <p>Children age 12 years and under</p> <ul style="list-style-type: none"> • 1 examination every 6 months • 1 cleaning per year • Fluoride applications every year • Routine fillings and extractions • Sealants <p>Adults covered under the plan</p> <ul style="list-style-type: none"> • 1 examination and 2 X-rays every 3 years • Routine fillings and extractions on a 3-year cycle • Standard dentures once every 8 years <p>No preventive services (no cleanings and/or fluorides)</p> <p>Other programs are available for specific groups</p> <p>Details</p>
Home Support Program	<p>Seniors age 65 and older, adults and children with disabilities, persons requiring end-of-life care or short-term support upon discharge from hospital</p> <p>Eligibility and services based on needs</p> <p>Covered services include:</p> <ul style="list-style-type: none"> • Personal care (bathing, dressing, transferring, etc.) • Homemaking services (light housework, laundry, making meals and feeding) • Respite (caregiver support to give main caregivers some respite) • Behavioural support (programs and interventions implemented by a behaviourist) <p>Details</p>
Medical equipment and supplies	<p>The Special Assistance Program covers the following supplies based on certain conditions:</p> <ul style="list-style-type: none"> • Medical supplies (such as dressings, catheters and incontinent supplies) • Oxygen and related equipment and supplies • Orthotics such as braces and burn garments • Equipment such as wheelchairs, commodes or walkers <p>Details</p>

Out-of-province coverage

If eligible beneficiaries need care or services in other Canadian provinces or territories, they can show their card to be covered for the same services as in Newfoundland and Labrador.

Hospital services received abroad may be covered by the MCP if provided in a recognized institution (licensed or approved by the appropriate authorities of the state or country). Patients who wish to be covered by the hospitalization insurance plan must complete an Application for Out-of-Country Benefits, which must be supported by a detailed, itemized statement from the out-of-country hospital where the services were obtained.

The Hospital Insurance Plan covers eligible expenses up to the following amounts:

- Hospitalization in a community or regional hospital: \$350 per day
- Hospitalization in a tertiary or specialized hospital: \$465 per day
- External consultation: \$62 per day
- Hemodialysis: \$220 per day



A CLOSER LOOK AT GROUP INSURANCE

Business travel, expatriates, inpatriates, international offices: Specialized products for every situation

The operations of many organizations have an international dimension these days from companies that open offices on another continent to organizations whose employees visit clients or partners around the globe as well as those who hire foreign workers.

In many countries, expenses for obtaining health care greatly exceed those covered by the public health insurance plan in the event of an emergency. Here, many categories of workers from other countries simply don't have access to public plans.

That's why there is an array of products for covering employees in all sorts of situations of international migration, such as:

- Health insurance for inpatriates who are not eligible for their employer's plan or for public plans in Canada
- Travel and trip cancellation insurance, including certain products that include coverage in the event of war or for workers whose occupation involves higher risks
- Insurance plans for expatriates, for Canadian employees who work abroad

These products offer comprehensive and specialized coverage and include a multilingual service available 24/7.

Additional information

[Medical Care Plan](#)

PROVINCIAL PLAN

11. Prescription Drug Program

The Newfoundland and Labrador Prescription Drug Program (NLPDP) provides financial assistance for the purchase of eligible prescription medications for those who have no other prescription drug insurance. There are five main plans under the program for different segments of the population.



Overview of Prescription Drug Program coverage

Plan	Segment of population	Coverage
Foundation Plan	<ul style="list-style-type: none"> Income support recipients Individuals receiving services through the regional health authorities 	100% of eligible prescription drugs
65Plus Plan	Seniors age 65 and older who receive Old Age Security benefits and the Guaranteed Income Supplement	<ul style="list-style-type: none"> Copayment: \$6 maximum per prescription Ostomy Subsidy Program: 75% reimbursement of benefit ostomy items
Access Plan	Individuals and families with low incomes: <ul style="list-style-type: none"> Families with children, including single parents, with a net annual income of \$42,870 or less Couples without children with net annual incomes of \$30,009 or less Single individuals with net annual incomes of \$27,151 or less 	Copayment based on family income and drug costs
Assurance Plan	Individuals and families whose eligible drug costs exceed: <ul style="list-style-type: none"> 5% of net income for those who earn below \$40,000 7.5% of net income for those who earn from \$40,000 to under \$75,000 10% of net income for those who earn from \$75,000 to under \$150,000 	Copayment based on family income and drug costs
Select Needs Plan	Individuals with: <ul style="list-style-type: none"> Cystic fibrosis Growth hormone deficiency 	100% for disease-specific medications and supplies

Additional information

[Prescription Drug Program](#)

FEDERAL PLAN

12. Dental care

The federal government has introduced a plan to provide all citizens with affordable access to oral care. These programs are designed to help people who are not covered by private insurance.



Eligibility

To qualify for the Canadian Dental Care Plan, applicants must:

- Be a resident of Canada for tax purposes
- Not have access to any private dental care insurance
- Have an adjusted family net income of less than \$90,000
- Have filed an income tax report for the previous year

Care and services covered

The purpose of the covered services and care is to treat dental issues and maintain healthy teeth and gums. Examples include:

- Preventive services, including scaling (cleaning), polishing, sealants and fluoride
- Diagnostic services, including examinations and X-rays
- Restorative services, including fillings
- Endodontic services, including root canal treatments
- Prosthodontic services, including complete dentures and partial removable dentures
- Periodontal services, including deep scaling
- Oral surgery services, including extractions

Reimbursement amounts

The Canadian Dental Care Plan has established the percentage of expenses that will be reimbursed. Some individuals may have to pay a co-payment, which is the percentage of fees that are not covered and must be paid to the dental care service provider. This co-payment is based on adjusted family net income according to the parameters indicated in the table below.

Co-payments based on adjusted family net income

Family income	Portion covered by the Plan ¹	Portion paid by patients
Less than \$70,000	100%	0%
\$70,000 to \$79,999	60%	40%
\$80,000 to \$89,999	40%	60%

1. Care and services are covered up to the maximum established by Canadian Dental Care Plan fees. Any expenses that exceed the plan fees must be assumed by patients.

Additional information

[Canadian Dental Care Plan](#)

13. Income Support



The Government of Newfoundland and Labrador provides financial support to help low-income residents meet their basic needs. It also offers services to encourage them to engage in activities to enter the labour market and achieve social and financial self-sufficiency.

Benefits

The program provides monthly benefits for food, clothing, personal care, household maintenance, utilities, and shelter, among other things. Additional benefits may be available depending on the individual's needs, such as certain health benefits.

Benefit amounts are determined by a variety of factors, such as:

- Family income and other family resources
- Family size
- Living arrangements
- The types of benefits needed according to specific circumstances
- Employment-related expenses the recipient or their spouse may have, such as transportation and childcare

Monthly Basic Income Support benefits

Household composition	Amount
Single adult, no dependent children	\$561
Single adult, no dependent children but with 1 dependent student	\$794
Single adult, no dependent children but with 2 dependent students	\$906
Single adult with dependent children	\$729
Single adult with dependent children and 2 dependent students	\$779
Single adult with dependent children and 2 dependent students	\$906
Couple, no dependent children	\$794
Couple, no dependent children but with 1 dependent student	\$906
Couple with dependent children	\$779
Couple with dependent children and 1 dependent student	\$906
Each additional dependent student (single recipients or couples)	\$127

Notes: Amounts are reduced for tenants where heating and/or electricity costs are included in the rent.

Monthly Shelter Income Support benefits

Type of benefits	Maximum amount
Rent/mortgage	\$522
Fuel supplement	
Island	\$71
Labrador	\$132
Cost of living allowance	\$150

Earnings exemption

Income support recipients can earn employment income without having their benefits reduced. Only a portion of their earnings is taken into account in the calculation of their monthly income assistance.

Exemption based on household composition

Household composition	Exemption
Single adult	100% of income up to \$75 + 20% of any income over \$75
2 or more people	100% of income up to \$150 + 20% of any income over \$150
1 person requiring supportive services	100% of income up to \$150 + 20% of any income over \$150
2 persons requiring supportive services	100% of income up to \$250 + 20% of any income over \$250

Notes: Other income may be taken into account and partially exempted, including scholarships or bursaries, or winnings from games of chance or a lottery. Thresholds are then calculated differently.

Employment Assistance

The income assistance program includes an employment support component to help recipients find work and become self-sufficient. Measures include:

- Wage subsidies
- Employment counselling
- Job placement or training allowances
- Supports and services that may assist applicants or recipients prepare for, access and keep work (transportation, child care)

Supports vary for applicants and recipients based on their different circumstances and needs.

Additional information

[Income Support](#)

14. Tax impact of group insurance

Providing a group insurance plan has tax implications for both employers and employees.



Tax deductible expenses for the employer

Insofar as the group insurance plan complies with the provisions of the *Taxation Act* and its regulations, all related costs are tax-deductible for the employer.

Benefits taxable for employees

When the employer assumes the expenses for certain benefits, this contribution, including the sales tax, are considered taxable benefits for employees. These benefits are added to their income and indirectly create tax.

For the employer, these taxable benefits increase the total payroll and, as a result, increase the contributions it must pay to finance various governmental programs such as WorkplaceNL, Employment Insurance, etc.

Fiscal impact of coverage included in group insurance plans

Coverage whose premiums are paid by the employer	Benefits taxable for the employee
Life	Yes
Accidental death and dismemberment due to accident or illness	Yes
Critical illness	Yes
Disability insurance	No
Health	No
Dental care	No

Specifics regarding disability insurance

Disability insurance benefits may be taxable or non-taxable, depending on who pays the premium and how it is processed.

Non-taxable benefits

Benefits paid to employees are non-taxable if one of the following conditions is met:

- The employees pay 100% of the premium.
- The employer pays the premium but adds it to the employees' salary as a taxable benefit.

The disability insurance premiums paid by employees are eligible for a deduction on their tax returns.

Taxable benefits

Benefits received will be taxable if the employer pays all or part of the premium without adding it to the employees' income.

Taxing of disability insurance benefits based on premium payment

Who pays the insurance premium?	Fiscal impact on benefits
Employees pay 100% of the premium	Non-taxable
Employer pays 100% of the premium but adds it to the employees' taxable salary	Non-taxable
Employer pays all or part of the premium without adding it to the taxable salary	Taxable