

2011 Fast Facts

A Quick Guide to Government Benefits & Other Financial Factors

Fast Facts is a quick reference to government benefits and other financial factors designed for you to use throughout the year.

Our goal is to provide benefit-related information that is useful to you. We strive to deliver the bottom line in benefits by utilizing our expertise to make sense of what the facts mean to you.

Quick Reference	
Employment Insurance	2
Old Age Security	2
Canada Pension Plan	3
Federal Income Tax on Benefits	4
State of Benefits	5
State of Labour Negotiations	6
State of Pensions	6
State of the Economy	6

Fast Facts includes 2011 rates for Employment Insurance (EI), Old Age Security, Canada Pension Plan (CPP), and a Federal Income Tax guide for employee benefit plans.

You will also find current figures for dispensing fees, the dental fee guide, health care and dental care trend factors, hospital room rates, wage settlement increases, fund comparisons, the Consumer Price Index and a link to wage information by city.

The information in this publication, in the areas where data varies across provinces, focuses on Ontario only. If you need data for other provinces, please contact us for this information.

1040 South Service Road, Unit 204
 Stoney Creek, ON L8E 6G3
 Telephone: 905-643-1017 or 800-514-4944
 Fax: 905-643-4332
www.bhhbenefits.com

Employment Insurance	2010	2011
Maximum yearly insurable earnings	\$43,200.00	\$44,200.00
Required employee contributions:		
• As a percentage of insurable earnings	1.73%	1.78%
• Maximum yearly employee contribution	\$747.36	\$786.76
Required employer contributions:		
<i>With no registered wage loss replacement plan</i>		
• As a multiple of employee contribution	1.40	1.40
• As a percentage of insurable earnings	2.42%	2.49%
• Maximum yearly employer contribution	\$1,046.30	\$1,101.46
<i>With a qualifying registered wage loss replacement plan eligible for a full reduction</i>		
• As a multiple of employee contribution	1.169	1.181
• As a percentage of insurable earnings	2.02%	2.10%
• Maximum yearly employer contribution	\$873.66	\$929.16
<i>With a registered wage loss replacement plan eligible for a partial rate reduction</i> (cumulative paid sick leave/pregnancy plans that allow for a minimum monthly accumulation of one day and a total maximum accumulation of at least 75 days)		
• As a multiple of employee contribution	1.238	1.248
• As a percentage of insurable earnings	2.14%	2.22%
• Maximum yearly employer contribution	\$925.23	\$981.88

- The basic benefit rate is 55% of the claimant’s average weekly insured earnings to a **maximum of \$468 per week.**
- **Plan sponsors who participate in the EI premium reduction program may need to consider amending their plans to continue to remain eligible for the program.**
- The claimant must have worked a minimum of 420-910 hours, depending upon their circumstances, over the last 52 weeks.
- Once the application is received, payment can be expected within 28 days (4 weeks).
- Employment Insurance benefits can be received from 14 to a maximum of 45 weeks.

Old Age Security – Maximum Monthly Benefit

	Basic Benefit	Guaranteed Income Supplement Maximum- Single*	Guaranteed Income Supplement Maximum- Married**	Spouse’s Allowance	Widowed Spouse’s Allowance
1 st Quarter 2010	\$516.96	\$652.51	\$430.90	\$947.86	\$1,050.68
1 st Quarter 2011	\$524.23	\$661.69	\$436.95	\$961.18	\$1,065.45

* Spouse/common law partner of a non-pensioner

** Spouse/common law partner of a pensioner or of an allowance recipient

Source: Human Resources and Skills Development Canada

Canada Pension Plan	2010	2011
Year's maximum pensionable earnings (YMPE)	\$47,200.00	\$48,300.00
Year's basic exemption	\$3,500.00	\$3,500.00
Maximum annual contribution		
<ul style="list-style-type: none"> • Both employee and employer <ul style="list-style-type: none"> 4.95% of contributory earnings - 2010 4.95% of contributory earnings - 2011 	\$2,163.15	\$2,217.60
<ul style="list-style-type: none"> • Self-employed <ul style="list-style-type: none"> 9.9% of contributory earnings - 2010 9.9% of contributory earnings - 2011 	\$4,326.30	\$4,435.20
Maximum monthly retirement benefit (age 65)	\$934.17	\$960.00
Death Benefit		
<ul style="list-style-type: none"> • Maximum lump sum 	\$2,500.00	\$2,500.00
<ul style="list-style-type: none"> • Maximum monthly spouse's pension <ul style="list-style-type: none"> Under age 65 Age 65 and over 	\$516.57	\$529.09
	\$560.50	\$576.00
<ul style="list-style-type: none"> • Monthly orphan's pension per child 	\$214.85	\$218.50
Disability Benefit		
<ul style="list-style-type: none"> • Maximum monthly contributor's pension 	\$1,126.76	\$1,153.37
<ul style="list-style-type: none"> • Monthly pension per child 	\$214.85	\$218.50

Source: Canada Revenue Agency

Federal Income Tax for Employee Benefit Programs

Benefit Source	Employer Costs Tax Deductible	Employee Contributions Tax Deductible	Employer Contributions Confer Taxable Benefit to Employee	Benefit Taxable Income to Recipient
<u>Government-Sponsored Benefits</u>				
Canada Pension Plan	Yes	Yes	No	Yes
Old Age Security				
• Basic Pension	N/A	N/A	N/A	Yes
• Spouse's Allowance	N/A	N/A	N/A	No
• Widowed Spouse's Allowance	N/A	N/A	N/A	No
• Guaranteed Income Supplement	N/A	N/A	N/A	No
Employment Insurance	Yes	Yes	No	Yes
WSIB (Ontario only)	Yes	N/A	No	No
Employer Health Tax	Yes	N/A	N/A	No ¹
<u>Employer-Sponsored Group Benefits</u>				
Dental	Yes	No ²	No ³	No
Medical	Yes	No ²	No ³	No
Long Term Disability	Yes	No	No	Yes ⁴
Weekly Indemnity	Yes	No	No	Yes ⁴
Accidental Death & Dismemberment	Yes	No	No	No
Life Insurance	Yes	No	Yes	No

¹ If an employer pays the Ontario Health Premium on behalf of an employee, it is a taxable benefit

² Employee contributions deductible as allowable medical expense

³ Yes in Quebec

⁴ Benefit is not taxable (i) if "employee pay all" policy, or (ii) until benefit payments exceed an employee's contributions

State of Benefits

Provincial Dental Fee Increases for 2011

Province	Cost Increase	Effective Date
Ontario	2.00%	January 1
Manitoba	3.49%	January 1
New Brunswick	2.00%	January 1
Prince Edward Island	2.27%	January 1
Newfoundland & Labrador	6.00%	January 1
Quebec	1.60%	January 1
Saskatchewan	3.00%	January 1
British Columbia	1.80%	February 1
Alberta	4.93%	February 1
Nova Scotia	n/a	February 1
N.W.T.	2.50%	April 1
Nunavut	0.00%	April 1
Yukon	n/a	April 1

Source: Sun Life

Ontario Average Dispensing Fees (Multiple Location Pharmacies)

Low	\$4.11
High	\$11.71
Average	\$9.80

Source: Telus Health Solutions

Current Annual Trend Factors

Health Care	15.2%
Dental Care	7.6%

Source: Industry averages

Average Hospital Room Rates

Province	Semi-Private	Private
BC	\$94.90	\$167.00
AB	\$37.98	\$76.23
SK	\$44.02	\$95.35
MB	\$47.69	\$134.33
ON	\$180.07	\$236.82
PQ	\$60.96	\$122.34
NS	\$91.87	\$205.74
NB	\$92.43	\$164.96
PEI	\$82.87	\$175.56
NF	\$66.51	\$109.51
YT	\$94.90	\$167.00
NWT, NU	\$37.98	\$76.23

Source: Great-West Life

State of Labour Negotiations

2010 Wage Settlements by Industry

Industry	Increase
Primary	2.2%
Manufacturing	1.5%
Construction	2.5%
Trade & Finance	0.7%
Transportation, Communication & Utilities	1.9%
Public Administration	1.9%
Educational Services	1.7%
Health & Social Services	2.0%
Other Services	2.6%
All Settlements	2.0%

Source: Ontario Ministry of Labour, Office of Collective Bargaining Information

State of Pensions

1 year returns to December 31st

Type of Fund	Compare to this Index	Returns	
		2009	2010
Canadian Equity	S&P TSX Composite	35.1%	17.6%
U.S. Equity	S&P 500 Total Return (CND\$)	8.1%	8.9%
Global Equity	S&P Developed Large Mid Cap	14.1%	4.8%
Bond	DEX Universe	5.4%	6.7%

Source: API Asset Performance Inc.

Average 5-year GIC

2009: 2.60% 2010: 2.50%

Source: Manulife

State of the Economy

Consumer Price Index, December 2009 to December 2010

All items: 2.4%

All items excluding food and energy: 1.6%

Source: Statistics Canada

Wage Information by City

<http://www.labourmarketinformation.ca/standard.aspx?ppid=43&lcode=eng>

While we strive to ensure the accuracy of all content at the time of distribution, unintentional errors or omissions may occur. We reserve the right to correct any errors. The content of Fast Facts is for information purposes only. Individuals wishing to act on the advice contained herein should seek the appropriate professional counsel.