

Indexing / continued from Reverse

Superannuation Plan (PSSP).

Indexing for January 1, 2011 to December 31, 2015 has been established at 1.25% per year. For information on indexing after December 31, 2015, please see our web site under Public Service Plan, Pensioners, Cost of Living Adjustment.

Indexing on Deferred Pensions

Indexing rules are also changing with regards to members who have terminated their employment, kept their accrued pension contributions in the Plan, and deferred their pension benefit to some future point in time. Currently, indexing is considered to be 'earned' while the Deferred Pension awaits activation or actual retirement, at some later date. This indexing is accrued and credited to the pension benefit, for the years the Pension 'waited' in the deferral period. Effective January 1, 2011, indexing will no longer be earned in the deferral period.

If you currently have a Deferred Public Service Pension or have terminated employment but not yet elected an option:

- You will retain any and all Indexing earned in the deferral period, up to January 1, 2011. This Indexing will be included in your pension benefit when you ultimately retire.
- Effective January 1, 2011, your Deferred Pension will not earn or accrue any further Indexing.
- If you terminate employment any time on or after January 1, 2011 and defer your Public Service Pension, your Deferred Pension will not earn or accrue any Indexing.

Legal Interpretation of this Document

The information presented in this publication is premised on the rules and criteria which currently exist under the Members' of the Legislative Assembly Pension Plan and which are subject to amendment from time to time. The information presented in this document attempts to explain, in plain language, Members of the Legislative Assembly pension coverage under the Members' Retiring Allowances Act. MLAs, beneficiaries and others who wish to determine their legal rights and obligations should refer to the governing legislation, regulations or other legal documents as appropriate. In the event of a discrepancy between this document and the legislation and/or legal documents previously mentioned, the latter shall prevail.

Street address Nova Scotia Pension Agency
4th Floor, Purdy's Landing
1949 Upper Water Street
Halifax, NS B3J 3N3

Mail address Nova Scotia Pension Agency
PO Box 371
Halifax, NS B3J 2P8

Phone 424-5070 (Halifax area)
1-800-774-5070 (Toll free in NS)

Fax 902-424-0662

Email PensionsInfo@gov.ns.ca

Web site www.novascotiapension.ca



Members of the Legislative Assembly Pension Coverage



Members' Retiring Allowances Act

A Member of the Legislative Assembly may qualify for pension benefits when one of the following criteria are met.

Eligibility

- at least 55 years of age, with 5 years of service, and has served in at least two General Assemblies;
- at least 45 years of age, with 5 years of service, and has served in at least two General Assemblies (this is a reduced pension).

Calculation of Benefit¹

The following formula represents the annual pension benefit an MLA would receive:

- 5% X years of Indemnity Service (up to 15 years) X 3 year highest average Indemnity;
- 5% X years of Executive Council Service (up to 15 years) X 3 year highest average Executive Council salary.

Note: MLA pension benefits are paid on a monthly basis on the third last banking day of each month.

¹ Lump sum payments such as retroactive compensation can artificially inflate pension estimates if they have not been correctly reported to us. It is possible that the actual pension benefit may be lower and this should be taken into consideration.

Canada Pension Plan Benefits

Canada Pension Plan (CPP) benefits may be drawn at age 65 or taken as early as age 60. If you decide to draw CPP benefits early you would receive a reduced amount calculated by the Canada Pension Plan. For information on CPP benefits please contact the Canada Pension Plan at 1-800-277-9914.

Survivor Benefits

Surviving Spouse

If the Plan member became a Member prior to April 6, 2010, served in at least two General Assemblies and dies, 66⅔% of the pension the MLA was receiving or would have been entitled to receive will be paid for life to a surviving spouse.

NOTE: If the Plan member first became a Member on or after April 6, 2010, a surviving spouse would be entitled to 60% of the pension benefit the MLA was receiving or would have been entitled to receive, payable for life.

Surviving Children

If the Plan member first became a member prior to April 6, 2010, surviving children up to 18 years of age (or 25, if in full-time attendance at an educational institution) are eligible to receive 10% of an MLA's pension benefit. If there are more than 3 eligible children, 33⅓% of an MLA pension is divided equally among them. If there is no surviving spouse, eligible surviving children would be entitled to share the 66⅔% spouse's benefit.

NOTE: If the Plan member became a Member on or after April 6, 2010, surviving children up to 18 years of age (or 25, if in full-time attendance at an educational institution) are eligible to receive 10% of an MLA's pension benefit. If there are more than 4 eligible children, 40% of an MLA pension is divided equally among them. If there is no surviving spouse, eligible surviving children would be entitled to share the 60% spouse's benefit.

Surviving Dependants

A dependant is defined as a person related to an MLA who is dependent on that MLA by reason of

physical or mental infirmity.

If there is no surviving spouse or child but there is an eligible dependant(s), the dependant(s) would be entitled to receive (share) 50% of the benefit which the MLA was receiving or would have been entitled to receive.

No Surviving Spouse, Children or Dependants

If an MLA dies before retiring and is not survived by a spouse, children, or dependant, a refund of his or her contributions plus interest will be paid to the estate.

If an MLA retires and then dies before receiving pension payments at least equal to his or her pension contributions plus interest, a refund of the difference will be paid to the estate.

Death Before Vesting

If an MLA dies in his or her first General Assembly, the MLA would not have been vested. In this case, the estate may be entitled to receive a refund of pension contributions plus interest.

Contributions

The required contributions are 10% of the annual Indemnity plus 10% of the Executive Council salary. Once 15 years of contributions are made, or once 71 years of age is reached, no further contributions are required. At age 71, an MLA is entitled to start drawing a pension even if still serving as an MLA.

Indexing (Cost of Living Adjustment)

Effective April 6, 2010 indexing rules for the MLA Pension Plan changed to reflect indexing credited to allowances payable under the Public Service

See **INDEXING** / on Reverse