

Canada Pension Plan for Migrant Workers

This info sheet provides useful information on the Canada Pension Plan (CPP) for migrant workers including eligibility, how to receive benefits and additional benefits that individuals may be eligible for.

Introduction

The Canada Pension Plan (CPP) provides migrant workers with an income when individuals reach an old age or can no longer work due to retirement, disability, or death. The CPP funds constitute a part of the earning that migrant workers have paid into through their employment in Canada. All individuals working in Canada qualify for the pension plan if they reach certain eligibility requirements (see table to right). In the case of a workers death, their spouse/ and or next of kin could be entitled to benefits.

Non-Residents to Canada, including migrant workers are able to contribute to the pension plan and can later receive some benefits in their home country. An individual is considered a non-resident if they do not normally live in, and do not have ties residentially in Canada. This can include a house, a common-law partner or spouse, or social ties in Canada.

Viewing contributions

Social insurance number (SIN): Migrant workers need to bring this information back home with them when they leave Canada and keep their SIN number protected. By using their SIN number, an individual is able to access their statement of contributions online.

- The individual's Social Insurance Number is very important to be able to access their pension.

View your contributions: If an individual has made valid contributions during a period of work in Canada, it is possible to apply to receive the Canada Pension Plan upon eligibility. Individuals can view their contributions by creating a *My Service Canada Account* online at: <https://www.canada.ca/en/employment-social-development/services/my-account/before-register.html>

- The individual's SIN and date of birth is required to create an account.

Types of benefits and eligibility

Retirement Pension	The contributor must have made at least one valid contribution in Canada.*
Survivors pension	The spouse does not have to have worked or lived in Canada The migrant worker must have made at least 10 valid contributions.
Death Benefit	Benefit received by the next of kin (closest relative(s)) who do not have to have worked or lived in Canada The migrant worker must have made at least 10 valid contributions Base rate for the death benefit is \$2,500 given at one time. ²
Disability pension	The migrant worker must have contributed 4 out of the last 6 calendar years before a doctor has determined a disability.

*One valid contribution: Requires the worker to have made more than \$3,500 in a year working in Canada on a valid work permit. Anything less will be returned to the worker through tax return at the end of the year.³

Ways of receiving payment

The Canadian Pension Plan is payable anywhere in the world.

It can be received by:

- Foreign direct deposit to account, available in many countries*
- Delivered by cheque to any address

*The money will automatically be converted into the local currency. No fee is applied. More information at: <https://www.tpsgc-pwgsc.gc.ca/recgen/dd/etranger-abroad-eng.html>

References

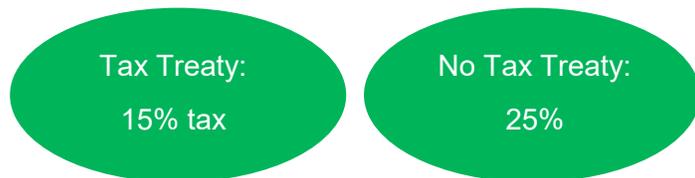
¹Determining your residency status. Available at <https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/information-been-moved/determining-your-residency-status.html>

²Death Benefit. Available at <https://www.canada.ca/en/services/benefits/publicpensions/cpp/cpp-death-benefit.html>

³The Canada Pension Plan retirement pension. Available at <https://www.canada.ca/en/employment-social-development/programs/pensions/reports/retirement.html>

Calculating your payment

Individuals receiving Canada Pension Plan benefits are required to pay non-resident taxes on the amount received. The amount of tax payable will depend if an individual's home country has a tax treaty with Canada or not. The tax will be deducted automatically when filing for income tax at the end of each year in Canada. Individuals must file income tax each year they are receiving the Canada Pension Plan.



An NR5 form, *Application by a Non-Resident of Canada for a reduction in the Amount of Non-Resident Tax Required to be Withheld* can be submitted by an individual if their home country has no tax treaty with Canada. This will reduce the amount of payable tax on an individual's CPP benefits. If accepted, this reduction of tax on an individual's contributions is valid for five years unless their income changes.⁴ This form can be found at: <https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/nr5.html>

The age the payment is received will determine the pension amount. The CPP amount received depends on income and the amount of eligible years an individual has contributed to the plan for.

Age and amount received	
Received before the age of 65	Reduction,
Received at the age of 65	Receive it at full,
Received after the age of 65	Increase. ⁵

When to apply

Individuals can decide when to apply. The application can be submitted at least a month after the individual's 59th birthday and 11 months before the date of when they want to start receiving their CPP.

References

⁴Form NR5– 5– year Administrative Policy. Available at <https://www.canada.ca/en/revenue-agency/services/tax/international-non-residents/competent-authority-agreements-notice/form-nr5-5-year-administrative-policy.html>

⁵Canada Pension Plan– How much could you receive. Available at <https://www.canada.ca/en/services/benefits/publicpensions/cpp/cpp-benefit/amount.html>

⁶Retirement Income Guide for Canadian Non-Resident Expats. Available at <https://retirehappy.ca/canadian-non-resident-expats-retirement-income/>

⁷Contact the Canada Pension Plan. Available at <https://www.canada.ca/en/employment-social-development/corporate/contact/cpp.html>

How to apply

Eligible individuals must apply in order to receive their pension. Individuals living outside of Canada must fill out the application and mail it into the Service Canada office in the last province/ territory they resided in.

- All individuals, spouses and next of kin's need to keep this information for future reference.

Information that is needed for the application:

- Social Insurance Number
- Birth date
- Home address/ mailing address
- Last province/ territory of residing in Canada
- Foreign direct deposit enrolment form
- Child's/ children's name and birthdate
- Pension sharing or benefits from other countries

View the application at:

<https://catalogue.servicecanada.gc.ca/content/EForms/en/Detail.html?Form=ISP1000>

Contact the Canada Pension Plan

Individuals in Canada can contact the Canada Pension plan at: 1-800-277-9914

Individuals outside of Canada can contact the Canada Pension plan at: 1-613-957-1954

Individuals who are a previous CPP recipient will need their SIN number to access their information.

The following tasks can be completed over the phone:

- applying or updating information for direct deposit,
- Receiving CPP documents, including: application form, tax slips, entitlement letters and rate letters
- Receiving a CPP estimate, and
- Canceling benefits in the case of death.⁷

For more information on The Canada Pension Plan visit: <https://www.canada.ca/en/services/benefits/publicpensions/cpp/cpp-international.html>