

2013:05

**CANADA/QUEBEC PENSION PLAN DROP-OUT PROVISION FOR FAMILY/FRIEND CAREGIVERS**

**Whereas 1** the Canada/Quebec Pension Plan (CPP/QPP) provides for a drop-out in its averaging formula for the calculation of pensions for contributors who take time out from CPP/QPP contributions during the years they were caring for a child under the age of seven and were earning low or no income; and

**Whereas 2** women are most often the caregivers who were working and contributing to CPP/QPP, but may be required to drop out of the work force for extended periods, or permanently, in order to care for a physically or cognitively dependent adult, including elderly parents; and

**Whereas 3** because of reduced CPP/QPP contributions over their lifetime, eligibility for lower pension income through CPP/QPP puts long-time 'family/friend caregivers', most of whom are women, at a financial disadvantage; and

**Whereas 4** family/friend caregivers contribute billions of dollars of care to the economy and are rarely acknowledged, let alone rewarded, for their tireless efforts; therefore be it

**Resolved 1** that National Council of Women of Canada (NCWC) adopt as policy support for a Canada/Quebec Pension Plan (CPP/QPP) caregiver drop-out provision which would increase the actual pension based on CPP/QPP contributions, by removing from the calculation the years spent out of the work force while caring for dependent persons; and be it further

**Resolved 2** that NCWC urge the Government of Canada to:

- a. provide a drop-out provision for calculation of CPP/QPP for family/friend caregivers who were required to leave the work force for extended periods or permanently, in order to care for a physically or cognitively dependent person; and
- b. base this drop-out provision on the already existing formulae for the calculation of pensions for contributors who take time out from CPP/QPP contributions during the years they were caring for a child under the age of seven.