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# 2025 GUIDE TO GOVERNMENT BENEFITS IN QUEBEC



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## Introduction

This summary of government benefits lists changes to Canada's federal income security programs, provincial healthcare and prescription drug programs, and income taxation relevant to plan sponsors. Our source of information for this list was government websites. This was supplemented by our calculations when required. We recommend you visit these websites to learn more about these changes.

For more information on how the material in this document applies to your employee benefits programs, please contact your PBI consultant or send a note to [info@pbiactuarial.ca](mailto:info@pbiactuarial.ca).

## Old Age Security & Guaranteed Income Supplement

The following table illustrates the maximum monthly benefits payable under the provisions of the Old Age Security (OAS) Act. The table also includes benefits payable from the Guaranteed Income Supplement, which provides a monthly non-taxable benefit to low-income OAS recipients.

Individuals can increase their OAS pension by delaying the start of their OAS pension by up to five years after the date they become eligible; the monthly pension payment will be increased by 0.60% for every month the pension is delayed, to a maximum of 36% after five years.

It should be noted that the monthly benefits are indexed quarterly (January, April, July, and October) to reflect the increase in the Canadian Consumer Price Index. The total indexation granted in 2024 was 2.8%, compared to 3.2% in 2023. In July 2022, Old Age Security (OAS) pensions were permanently increased by 10% for individuals aged 75 and over.

You will automatically receive a 10% increase to your OAS pension in the month following your 75th birthday. This 10% increase to the maximum OAS pension amount will not affect the calculation of your Guaranteed Income Supplement (GIS) benefit.

| Old Age Security (Monthly maximum benefits)  | Starting<br>January 1, 2024 | Starting<br>January 1, 2025 |
|----------------------------------------------|-----------------------------|-----------------------------|
| Old Age Security                             |                             |                             |
| • 65 to 74                                   | \$713.34                    | <b>\$727.67</b>             |
| • 75 and over                                | \$784.67                    | <b>\$800.44</b>             |
| Guaranteed Income Supplement:                |                             |                             |
| • Single <sup>1</sup>                        | \$1,065.47                  | <b>\$1,086.88</b>           |
| • Married or common-law partner (per person) | \$641.35                    | <b>\$654.23</b>             |
| Combined:                                    |                             |                             |
| • Single                                     |                             |                             |
| o 65 to 74                                   | \$1,778.81                  | <b>\$1,814.55</b>           |
| o 75 and over                                | \$1,850.14                  | <b>\$1,887.32</b>           |
| • Married or common-law partner (per person) |                             |                             |
| o 65 to 74                                   | \$1,354.69                  | <b>\$1,381.90</b>           |
| o 75 and over                                | \$1,426.02                  | <b>\$1,454.67</b>           |
| Allowance for the surviving spouse           | \$1,614.89                  | <b>\$1,647.34</b>           |

Source: [Service Canada - OAS](#).

## Employment Insurance

The 2025 contribution rate for employees decreases to 1.64% of insurable earnings (decreases to 1.31% in Quebec), while the employer contribution rate decreases to 2.30% (decreases to 1.83% in Quebec). The maximum insurable earnings used for Employment Insurance (EI) in 2025 will be \$65,700, \$2,500 more compared to 2024. This was determined based on the growth in average earnings in Canada.

<sup>1</sup> Or whose spouse does not receive OAS.

Employers providing a short-term disability plan that meets certain standards can qualify for a reduction in their EI premium rate with the Premium Reduction Program (PRP).

In addition, EI now offers sickness benefits for up to 26 weeks that can provide financial assistance if someone cannot work for medical reasons. A medical certificate showing a person who is unable to work and for how long is required to qualify for these benefits.

Source: [Employment and Social Development Canada – Employers Premium Reduction Program](#).

| Employment Insurance                                       | 2024                                        | 2025                                                      |
|------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------------|
| Maximum Yearly Insurable Earnings                          | \$63,200                                    | <b>\$65,700</b>                                           |
| Maximum Annual Contribution:                               |                                             |                                                           |
| <ul style="list-style-type: none"> <li>Employee</li> </ul> | 1.66%/1.32% (QC)<br>(\$1,049.12/\$834.24)   | <b>1.64%/1.31% (QC)</b><br><b>(\$1,077.48/\$860.67)</b>   |
| <ul style="list-style-type: none"> <li>Employer</li> </ul> | 2.32%/1.85% (QC)<br>(\$1,468.77/\$1,167.94) | <b>2.30%/1.83% (QC)</b><br><b>(\$1,508.47/\$1,204.94)</b> |
| Maximum Weekly Benefit (55% of weekly insurable earnings)  | \$668                                       | <b>\$695</b>                                              |

Source: [Service Canada - EI](#).

## Canadian Dental Care Plan

The Government of Canada has introduced the Canadian Dental Care Plan, which is intended to help lower dental costs for eligible families earning less than \$90,000 per year. To be eligible, you must be a Canadian resident for tax purposes, you and your spouse/common law partner (if applicable) must have filed your tax returns in Canada, your adjusted net family income must be less than \$90,000, and you must not have access to dental insurance.

| Adjusted Family Net Income | Covered by CDCP                                                          | Covered by you                                                          |
|----------------------------|--------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Less than \$70,000         | 100% of eligible oral health care service costs at CDCP established fees | 0% of eligible oral health care service costs at CDCP established fees  |
| \$70,000 - \$79,999        | 60% of eligible oral health care service costs at CDCP established fees  | 40% of eligible oral health care service costs at CDCP established fees |
| \$80,000 - \$89,999        | 40% of eligible oral health care service costs at CDCP established fees  | 60% of eligible oral health care service costs at CDCP established fees |
| \$90,000 or more           | Not Eligible                                                             | Not Eligible                                                            |

Source: [Canadian Dental Care Plan](#).

You may have to pay additional fees if the cost of your oral health care services is more than what the CDCP will reimburse for these services or if services are included that the CDCP does not cover.

Employers and pension plan administrators must report whether an employee, pension plan member or any of their family members were eligible to access dental insurance of any kind, including health spending and wellness accounts, due to their current or former employment.

## Interim Federal Health Program

The Interim Federal Health Program (IFHP) provides limited, temporary health coverage to certain groups of individuals in Canada who are not eligible for provincial, territorial, or private health insurance

Source: [Immigration, Refugees and Citizenship Canada \(Refugees and asylum\)](#).

## Income Tax Rate

- The Basic Personal Amount (BPA) has increased from \$15,705 in 2024 to \$16,129 in 2025 for individuals whose net income for the year is less than or equal to the amount at which the 29% tax rate applies (\$177,882 in 2025).
- To ensure that this tax relief is granted to the people who need it the most, the increase in the BPA is gradually eliminated for people whose net income for the year is higher than the amount at which the 29% tax rate applies. For 2024, when an individual's net income is higher than \$177,882, the BPA gradually decreases from \$16,129 down to a minimum threshold of \$14,538 (applicable to individuals whose net income is higher than \$253,414). The minimum threshold will continue to be indexed in the future.

The federal indexing factor for January 1, 2025, is 2.7%, based on the change in the average federal inflation rate over the 12-month period ending September 30, 2024.

In 2025, the maximum contribution to an RRSP will be the lower of \$32,490 or 18% of earnings from the previous year.

The annual TFSA contribution limit for 2025 will remain at \$7,000.

Source: [Canada Revenue Agency \(Income Tax\)](#); [Canada Revenue Agency \(RRSP\)](#).

## First Home Savings Account

Starting in 2023, the federal government introduced the First Home Savings Account (FHSA), allowing individuals who have never owned a home to make tax-deductible contributions to be used for the purchase of a first home. The annual FHSA contribution limit for 2025 is \$8,000. Individuals who opened a FHSA in 2023 can carry forward their unused contribution room from 2023 and 2024 over into 2025, providing a maximum 2025 contribution limit of \$24,000 if no contributions were made in 2023 and 2024. Individuals can make a maximum total of \$40,000 in FHSA contributions over their lifetime.

Source: [Participating in your FHSAs](#).

## Paid Sick Leave

As of December 1, 2022, a new law is officially in force in all federally regulated private sector workplaces that mandates the following:

- For new employees, they will earn the first three days of paid sick leave thirty days after starting a new job.
- Employees are entitled to earn one day of medical leave with pay for each month of employment with an employer, up to a maximum of ten days in a calendar year.

- 
- Any unused paid medical leave days that an employee accrues in a calendar year will be carried over to the following year and counts toward the ten days that can be earned in the new year.
  - The maximum number of days of medical leave with pay that an employee can take in a calendar year is ten.
  - Employers can request a medical certificate for paid medical leaves of absence of five days or more.

The Government of Canada has the authority to legislate paid sick leave for the federally regulated private sector. This sector includes all Canadian employees working in industries such as banking, telecommunications, broadcasting, and inter-provincial and international transportation for federal Crown corporations, as well as for certain activities on First Nations reserves.

Source: [Medical Leave with Pay](#).

## Quebec

### Quebec Pension Plan

The yearly maximum pension earnings (YMPE) has been increased by \$2,800 in 2025. This change was made to account for the growth in the average weekly wage in Canada for the 12 months ending June 30, 2024.

The indexing rate for pensions paid on January 1, 2025, has been established at 2.6%. This change was made to account for the variation of the Canadian Consumer Price Index for the 12 months ending October 31, 2024.

The Québec Pension Plan includes two plans: the base plan (current plan) and an additional plan. The additional plan allows for the following advantages:

- A gradual increase of the rate at which income is replaced, from 25% in 2018 to 33.33% in 2065.
- From 2025 and thereafter, the pensionable salary cap will be 114% of the YMPE; the new ceiling will allow individuals whose salary exceeds the MPE to contribute more and receive benefits in proportion to those contributions.
- An increase of disability and surviving spouse's pensions of individuals who worked and contributed sufficiently.

The full effect of the additional plan on the benefits will be reached in 2065. Thus, workers who retire in the coming years will benefit from a partial increase to their pension benefits based on the number of years they have contributed to the additional plan.

These enhancements to the additional plan will gradually increase the contribution rates for employers and employees as follows:

From 2019 to 2023: portion of earnings between \$3,500 (basic exemption) and the MPE until the increase reaches 1%.

As of 2024: a contribution rate of 4% will be added to the portion of earnings between the MPE and the new ceiling.

The 2025 contribution rate of the base plan is set at 5.4% for both employees and employers, and the contribution rate of the additional plan is set at 1.0% for both employers and employees.

| Québec Pension Plan (QPP)                                              |            | 2024              | 2025                       |
|------------------------------------------------------------------------|------------|-------------------|----------------------------|
| Yearly Maximum Pension Earnings (YMPE)                                 |            | \$68,500          | <b>\$71,300</b>            |
| Yearly Additional Maximum Pension Earnings (YAMPE)                     |            | \$73,200          | <b>\$81,200</b>            |
| Yearly Basic Exemption                                                 |            | \$3,500           | \$3,500                    |
| Maximum Contributory Earnings (base plan)                              |            | \$65,000          | <b>\$67,800</b>            |
| Contribution Rate (Maximum Annual Contribution):                       |            |                   |                            |
| Base Plan:                                                             | • Employee | 5.4% (\$3,510.00) | 5.4% ( <b>\$3,661.20</b> ) |
|                                                                        | • Employer | 5.4% (\$3,510.00) | 5.4% ( <b>\$3,661.20</b> ) |
| Additional Plan:                                                       | • Employee | 1.0% (\$650.00)   | 1.0% ( <b>\$678.00</b> )   |
|                                                                        | • Employer | 1.0% (\$650.00)   | 1.0% ( <b>\$678.00</b> )   |
| Additional Contribution Rate (Maximum Additional Annual Contribution): |            |                   |                            |
| • Employee                                                             |            | 4.00% (\$188.00)  | <b>4.00% (\$396.00)</b>    |
| • Employer                                                             |            | 4.00% (\$188.00)  | <b>4.00% (\$396.00)</b>    |
| Maximum Monthly Pension for a new retiree <sup>2</sup> :               |            |                   |                            |
| • Retiring at 65                                                       |            | \$1,364.60        | <b>\$1,433.00</b>          |
| • Retiring at 60 (64%) <sup>3</sup>                                    |            | \$873.34          | <b>\$917.12</b>            |
| • Retiring at 70 (158.8%)                                              |            | \$2,166.98        | <b>\$2,275.60</b>          |
| Indexation Rate effective January                                      |            | 4.4%              | <b>2.6%</b>                |

Source: [Retraite Québec](#).

## Commission des normes, de l'équité, de la santé et de la sécurité du travail (CNESST)

The *Commission des normes, de l'équité, de la santé et de la sécurité du travail (CNESST)* is tasked with promoting labour rights and obligations, and ensuring Québec workers and employers abide by them. It provides a single point of access for all services related to labour standards, equity, occupational health, and safety.

Québec's occupational health and safety plan is financed by employer contributions. Employers must pay this insurance premium by making periodic payments to Revenu Québec and other government programs at the same time as the payroll deduction and employer contributions. The contribution rate for employers relative to labour standards remains at 0.06% in 2025.

Since January 1, 2022, new employers must pay contributions relative to labour standards, including public service, health institutions, educational institutions, municipalities, transport organizations, and daycare services. Their rate is 0.05% in 2024. As of 2025, their contribution rate is the same as other employers.

For 2025, the CNESST has evaluated its financial needs at about \$3.39 billion and estimates insurable salaries at about \$228.8 billion. The average premium rate in 2025 is 1.48%, which is unchanged from the 2024 average premium rate. The yearly maximum insurable earnings have increased to \$98,000 in 2025, \$4,000 more than in 2024.

<sup>2</sup> Only a small minority of retirees qualify for that amount. Also, it doesn't include any contributory years of the additional plan.

<sup>5</sup> Maximum penalty for QPP is 0.6% per month in 2025.

## Workforce Skills Development and Recognition Fund (WSDRF)

Every employer subject to the Act to Promote Workforce Skills Development and Recognition and whose total payroll is over \$2 million is required to participate in workforce skills development for the year by allotting an amount representing at least 1% of the total payroll to eligible training expenditures. If the total amount allotted is lower than required by the law, the employer will be required to pay into the Workforce Skills Development and Recognition Fund (WSDRF) a contribution equal to the difference between 1% of the total payroll and the amount of eligible training expenditures.

Source: [Revenu Québec](#).

## Quebec Parental Insurance Plan

The 2025 contribution rates for the Quebec Parental Insurance Plan (QPIP) remain the same as last year's. The contribution rate is set at 0.494% of insurable earnings for employees and 0.692% for employers. The maximum insurable earnings for 2025 will be \$98,000, \$4,000 more than in 2024.

| QPIP                                             | 2024                 | 2025                        |
|--------------------------------------------------|----------------------|-----------------------------|
| Maximum Insurable Earnings                       | \$94,000             | <b>\$98,000</b>             |
| Contribution Rate (Maximum Annual Contribution): |                      |                             |
| • Employee                                       | 0.494%<br>(\$464.36) | 0.494%<br><b>(\$484.12)</b> |
| • Employer                                       | 0.692%<br>(\$650.48) | 0.692%<br><b>(\$678.16)</b> |

Source: [Gouvernement du Québec](#).

## Health Care Programs

### Health Services Fund

The employer's contribution to the Health Services Fund is equal to 4.26% of the total annual payroll. However, employers other than public sector employers (such as municipalities) with a permanent establishment in Quebec and a total annual payroll of less than \$7.8 million can benefit from a reduction in the employer contribution rate for the Health Services Fund, as shown in the table below. Moreover, the total payroll threshold for the reduced contribution rate is indexed annually as of 2023. The total annual payroll where employers can benefit from reductions has been increased by 4.0% from \$7.5 million in 2024. Contribution rates are 4.26% for all public sector employers and 1.25% for employers with an annual payroll of \$1 million or less who are primarily in the primary and manufacturing sectors.

| Total Annual Payroll              | Contribution Rate                                                     |                                                                       |
|-----------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|
|                                   | Service and construction sectors                                      | Service and construction sectors                                      |
|                                   | 2024                                                                  | 2025                                                                  |
| 1 million dollars and less        | 1.65%                                                                 | 1.65%                                                                 |
| Between 1 and 7.8 million dollars | $1.2485\% + (0.4015\% \times \frac{\text{Total Payroll}}{1,000,000})$ | $1.2662\% + (0.3838\% \times \frac{\text{Total Payroll}}{1,000,000})$ |
| 7.8 million dollars and more      | 4.26%                                                                 | 4.26%                                                                 |

Source: [Revenu Québec](#).

## Prescription Drug Benefits

### The Public Prescription Drug Insurance Plan

Prescription drug coverage is mandatory in Quebec – individuals who are not eligible for drug coverage under a private plan must register for the public plan administered by the Régie de l’assurance maladie du Québec. Holders of a claim slip (carnet de réclamation) issued by the Ministère de l’Emploi et de la Solidarité sociale, children whose parents are covered by the public plan and individuals turning 65 are automatically registered for the public plan. Persons aged 65 or older who maintain private drug coverage equivalent to the public plan must contact the Régie to terminate their registration in the public plan.

The public plan covers drugs listed on the List of Medications published by the Régie. Prescription drugs received in Quebec during a hospital stay or residency in a public or subsidized private long-term care facility are fully covered by government hospital insurance. The public plan also provides coverage for stop-smoking products for a maximum of 12 consecutive weeks in a 12-month period.

Individuals covered by the public plan are responsible for paying an annual premium whether they purchase drugs or not. The annual premium will range from \$0 to \$744 from July 1, 2024, to June 30, 2025. Individuals making claims must pay a monthly deductible and a co-payment per prescription after the deductible is reached; these costs are determined annually on July 1. The annual premium is based on an individual’s personal or family income and paid through his/her Quebec income tax. Coverage is free for children under the age of 18, for spouses and full-time students aged 18 to 25 living with their parents.

A summary of an individual’s costs (excluding the annual premium) for the period of January 1 to June 30, 2025, are:

| Individual                                                         | Monthly Deductible | Co-payment | Maximum Monthly Contribution (Deductible + Co-payment) |
|--------------------------------------------------------------------|--------------------|------------|--------------------------------------------------------|
| Aged 18-64, not eligible for private plan                          | \$22.00            | 32.0%      | \$99.65                                                |
| Aged 18-64, holder of a claim slip                                 | \$0.00             | 0.0%       | \$0.00                                                 |
| Aged 65 or older, no GIS                                           | \$22.00            | 32.0%      | \$99.65                                                |
| Aged 65 or older, receiving 1% to 93% of the maximum monthly GIS   | \$22.00            | 32.0%      | \$56.17                                                |
| Aged 65 or older, receiving 94% to 100% of the maximum monthly GIS | \$0.00             | 0.0%       | \$0.00                                                 |

Source: [Régie de l’assurance maladie](#).

### Biosimilars Initiative

Exceptions are made for pregnant women in the 12 months after childbirth, pediatric patients, and patients who have experienced two or more therapeutic failures while being treated with a biologic drug for the same chronic disease.

Source: [Régie de l’assurance maladie](#).

## Income Tax Rates

Effective January 2025, the provincial personal income tax parameters for Quebec will be indexed by 2.85% by Revenu Québec. At the federal level, the indexing will be 2.7%.

The table below provides some income tax parameters for 2025:

| Taxable Income | Effective Rate 2025 | Marginal 2025 |                      |       |
|----------------|---------------------|---------------|----------------------|-------|
|                |                     | Provincial    | Federal <sup>4</sup> | Total |
| \$25,000       | 8.0%                | 14.0%         | 12.5%                | 26.5% |
| \$50,000       | 17.3%               | 14.0%         | 12.5%                | 26.5% |
| \$75,000       | 22.9%               | 19.0%         | 17.1%                | 36.1% |
| \$100,000      | 26.2%               | 19.0%         | 17.1%                | 36.1% |
| \$150,000      | 32.3%               | 25.8%         | 21.7%                | 47.5% |
| \$200,000      | 36.4%               | 25.8%         | 24.2%                | 50.0% |
| \$250,000      | 39.1%               | 25.8%         | 24.2%                | 50.0% |
| \$300,000      | 41.5%               | 25.8%         | 27.5%                | 53.3% |

Source: [Revenu Québec](#).

<sup>4</sup> The federal-provincial top marginal rate in Quebec includes the impact of the Quebec refundable Abatement of 16.5%.

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## About PBI

PBI Actuarial Consultants Ltd. is a dynamic and growing company focused on providing actuarial, administrative and investment consulting services for pension and benefit plans, as well as various trust funds. PBI serves clients across Canada from offices in Vancouver, Montreal, and Toronto with a focus on multi-employer plans and non-profit and public sector organizations.

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