

# Canadian Pension Plan

## Overview

The Canada Pension Plan (CPP) retirement pension is a monthly, taxable benefit that replaces part of your income when you retire. If you qualify, you'll receive the CPP retirement pension for the rest of your life. To qualify you must:

- be at least 60 years old
- have made at least one valid contribution to the CPP

Valid contributions can be either from work you did in Canada, or as the result of receiving credits from a former spouse or former common-law partner at the end of the relationship.

## Pension Amount

The standard age to start the pension is 65. However, you can start receiving it as early as age 60 or as late as age 70.

- If you start before age 65, payments will decrease by 0.6% each month (or by 7.2% per year), up to a maximum reduction of 36% if you start at age 60
- If you start after age 65, payments will increase by 0.7% each month (or by 8.4% per year), up to a maximum increase of 42% if you start at age 70 (or after).

For 2022, **the maximum monthly amount you could receive as a new recipient starting the pension at age 65 is \$1,253.59**. The average monthly amount paid for a new retirement pension (at age 65) in July 2022 is \$737.88. Your situation will determine how much you'll receive up to the maximum.

## References

Reference	URL
Canadian Pension Plan	<a href="https://www.canada.ca/en/services/benefits/publicpensions/cpp.html">https://www.canada.ca/en/services/benefits/publicpensions/cpp.html</a>
Canadian Retirement Income Calculator	<a href="https://srv111.services.gc.ca/GeneralInformation/Index">https://srv111.services.gc.ca/GeneralInformation/Index</a>