

When Are You Eligible to Retire on an Immediate Pension?

You are eligible to retire on an immediate pension under the New Brunswick Teachers' Pension Plan if you are at least 55 years of age. This is considered a very early retirement date, and therefore reductions are high. The amount that would be paid as a pension could be reduced by as much as 50%.

For anyone who has acquired pension service prior to July 1, 2014, you are eligible to retire with an Age/Service Index (ASI) of 80. This is also an early retirement, therefore one's pension would be reduced. The service acquired prior June 30, 2014 becomes unreduced with an ASI of 87.

If you had no pension service prior to July 1, 2014, you are eligible to retire with an ASI of 84. Again, this is an early retirement and one's pension would be reduced. The service acquired after July 1, 2014 would become unreduced at ASI 91.

If you had service in the plan prior to July 1, 2014, the 20 years of service rule will apply to you. On service earned prior to July 1, 2014, the reduction will be 5% per year for each year short of 60, while on service earned after June 30, 2014, the reduction will be 5% per year for each year short of 62.

Currently, the maximum accrued pension benefit is based upon 35 years of service or 70%.

The option of a deferred pension also exists:

- if you have pension service prior to July 1, 2014, you can defer receipt of pension benefits until age 60;
- if you did not have any pension service prior to June 30, 2014, you can defer receipt of pension benefits until age 62.

If you have any questions about any of these options or general pension questions, please contact NBTA Staff Officers Michael Ketchum (michael.ketchum@nbta.ca) or Melinda Cook (melinda.cook@nbta.ca) at 452-1722.

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