

Pension for Life

Pension for Life is a combination of benefits that provide recognition, income support and stability to you if you experience a service-related illness or injury. This new suite of benefits will empower you if you are living with a service-related injury and/or illness to determine the form of compensation that works best for you and your families.

New benefits will begin on 1 April 2019.

Pain and Suffering Compensation (PSC)–non-taxable

- Recognizes pain and suffering experienced by you that has been caused by a disability resulting from a service-related injury and/or illness
- Replaces the lump sum Disability Award
- Delivers a maximum of \$1,150 per month for life, or it can be provided in a lump sum payment if requested

Additional Pain and Suffering Compensation (APSC)–non-taxable

- Provides additional recognition to you if you are experiencing barriers to re-establishment in post-service life due to a severe and permanent impairment
- Is similar to the Career Impact Allowance but instead compensates for barriers and severity of impairment, not for loss of career progression
- Depending on the extent of your impairment resulting from your service-related disability, the monthly payment would be \$500 (Grade 3), \$1,000 (Grade 2) or \$1,500 (Grade 1)

Income Replacement Benefit (IRB)–taxable

- Provides income support to you if you are experiencing barriers to re-establishment due to a health problem resulting primarily from service; it is tied to participation in our Rehabilitation program
- Combines multiple pre-existing benefits into one. Included are the Earnings Loss Benefit, Extended Earnings Loss Benefit, Supplementary Retirement Benefit and Retirement Income Security Benefit, Career Impact Allowance and the Career Impact Allowance Supplement
- If you have not yet served a full career in the military, this benefit will be increased by one percent every year until you reaches what would have been 20 years of service or age 60
- Permits \$20,000 each calendar year in employment income. Any amount above this is offset dollar for dollar from the IRB amount



Additional Monthly Amount (AMA)

If you have received a Disability Award since 1 April 2006, you will automatically have a calculation done to see whether you would have received more under the new Pain and Suffering Compensation had it been available at the time you received your Disability Award.

If you would have received more through the Pain and Suffering Compensation, you will receive an additional monthly amount.

Frequently asked questions

If I am already receiving a Disability Award or Veterans Well-Being Act financial benefits, will I need to apply for these new benefits?

No. If you are already receiving disability or financial benefits from us, you do not need to apply for the Pension for Life benefits. You will automatically receive an adjusted amount which will be explained by a VAC representative.

Why are we not returning to the *Pension Act*?

The current suite of programs and benefits addresses well-being from a holistic approach through options such as rehabilitation, education and transitional support.

The *Pension Act* was passed following the First World War and while its payments were generous, it was designed only to recognize and compensate for the overall financial impact of a service-related illness or injury and not overall well-being.

There were limits to what Veterans received, depending on the type of disability they had. Other than those with the most serious disabilities, the rates were not enough to support Veterans struggling to re-establish their post-service life. Also, the *Pension Act* did not offer rehabilitation, education or transitional support, which are all part of the services Veterans Affairs Canada offers now. Which is important when you consider that the majority of Veterans who receive services or benefits from the Department have an assessed disability level of 25 percent or less.

What will happen to the current disability benefits in April 2019?

The current Disability Award will no longer exist after April 2019. This does not include the Critical Injury Benefit, which will remain in place. If you already received a Disability Award or are receiving a disability pension, you will keep it.

Where can I find additional information?

The Pension for Life section of the website is a significant source of information. It contains factsheets and Veteran profiles where we walk you through what you would receive in Pension for Life benefits and a variety of other materials. You can find the website here.

www.veterans.gc.ca/eng/services/pension-for-life