

## Income Tax

RRQ. 7-3 Pensionable Employment and an Employee's Employment Outside Québec in  
Canada

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Reference(s): *An Act respecting the Québec Pension Plan* (R.S.Q., c. R-9), sections 2, 4 and 7  
*Regulation respecting pensionable employment* (R.R.Q., 1981, c. R-9, r.8, as  
amended), section 9

The purpose of this bulletin is to determine if an employee's employment outside Québec in Canada (except for employment by a transport firm) is pensionable employment for the purposes of the *Act respecting the Québec Pension Plan* (the "Act").

### APPLICATION OF THE ACT

1. For a compulsory employee and employer contribution to exist pursuant to sections 50 and 52 of the Act or for an optional employee contribution to exist pursuant to section 55 of the Act, pensionable salary and wages must have been paid to the employee. Section 45 of the Act provides, in particular, that the amount of the pensionable salary and wages of a worker for a year is his income for the year from pensionable employment; hence the importance of determining whether or not the work is pensionable under the Act.
2. In accordance with section 2 of the Act, any employment in Québec is pensionable unless it is excepted by law or by a regulation.
3. According to section 7 of the Act, when employment is not in Québec, it is nonetheless deemed to be in Québec, when the establishment of the employer to which the employee reports for work is situated therein, and, where the employee is not required to report for work at any establishment of his employer, when the establishment of his employer from which his remuneration is paid is situated in Québec.
4. For example, employment in Ontario by an employee who is not required to report for work at any establishment of his employer will be pensionable for the purposes of the Act if the establishment of his employer from which the employee receives his remuneration is situated in Québec. If the employer has an establishment in Ontario and the employee is required to report for work at that establishment, the employment will not be pensionable employment for the purposes of the Act.

5. Furthermore, paragraph *a* of section 4 of the Act provides that the Régie des rentes du Québec (the Board) may make regulations for including in pensionable employment any employment outside Québec that would be pensionable if it were in Québec.

6. Thus, in accordance with section 9 of the *Regulation respecting pensionable employment*, employment outside Québec of a Canadian citizen as an agent-general, officer or servant of Québec is pensionable employment.