

DATE: November 8, 2023
TO: Human Resource Managers – participating PSSP Employers
FROM: Cathy Clarke – Manager, Employer Services
SUBJECT: Public Service Superannuation Plan

- Year’s Maximum Pensionable Earnings (YMPE) 2024
- Pension Adjustment (PA) Calculations 2023
- Supplementary Employee Retirement Plan (SERP) 2024

YMPE

The Year’s Maximum Pensionable Earnings under the Canada Pension Plan for the calendar year 2024 is \$68,500 or bi-weekly \$2,634.62 (26 pays).

The following examples outline how pension contributions should be calculated for a full-time and part-time employee. As a reminder, contribution rates for the PSSP are 8.4% up to the YMPE, and 10.9% above the YMPE.

Example #1:

Full-time employee with a bi-weekly rate of \$3,000.00, work percentage is 100%:

	26 pays
1. Calculate contributions under the YMPE:	$\$2634.62 \times .084 = 221.31$
2. Calculate contributions over the YMPE:	$\$3000 - 2634.62 = 365.38 \times .109 = 39.83$
3. Calculate total biweekly contributions:	$\$221.31 + 39.83 = 261.13$
Required bi-weekly employee contributions:	\$261.13

Example # 2:

Part-time employee with bi-weekly full-time equivalent salary rate \$3000.00, work percentage is 75%. The first step is to calculate the contributions required on the 100% FTE rate, then reduce by the employee’s part-time work percentage.

	26 pays
1. Calculate contributions under the YMPE:	$\$2634.62 \times .084 = 221.31$
2. Calculate contributions over the YMPE using the 100% salary rate:	$\$3000 - 2634.62 = 365.38 \times .109 = 39.83$
3. Calculate total biweekly contributions on the 100% rate:	$\$221.31 + 39.83 = 261.13$
4. Reduce contributions by part-time work percentage:	$\$261.13 \times .75 = \195.85
Required bi-weekly employee contributions:	\$195.85



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PA CALCULATION

The factors to be used in the calculation of PA's for **2023** are:

YMPE	\$ 66,600.00
Maximum benefit accrual	\$ 3,506.67
Maximum PA	\$ 30,960.00

SERP (2024)

The annual Supplementary Employee Retirement Plan (SERP) cap limit for 2024 is \$204,475 which is \$7,864.42 bi-weekly (26 pays).

Employers who participate in the SERP should cap employer contributions at \$791.36 bi-weekly (26 pays).

Employers who do not participate in the SERP should cap both employee and employer contributions at the 2024 limits: \$791.36. Bi-weekly salary rates should not exceed the SERP cap rates \$7,864.42 bi-weekly (26 pays).

MORE INFORMATION

Should you have questions about any of the above, please contact us at info@nspension.ca or call 1-800-774-5070 (toll free) or 424-5070 (local).