

DATE: November 12, 2021
TO: Human Resource Managers – participating PSSP Employers
FROM: Cathy Clarke – Manager, Employer Services
SUBJECT: Nova Scotia Public Service Superannuation Plan
 • Year’s Maximum Pensionable Earnings (YMPE) 2022
 • Pension Adjustment (PA) Calculations 2021
 • Supplementary Employee Retirement Plan (SERP) 2022

YMPE

The Year’s Maximum Pensionable Earnings under the Canada Pension Plan for the calendar year 2022 is \$64,900 or bi-weekly \$2,496.15 (26 pays).

The following examples outline how pension contributions should be calculated for a full-time and part-time employee.

Example #1:

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

	<u>26 pays</u>
1. Calculate contributions under the YMPE:	$\$2496.15 \times .084 = 209.68$
2. Calculate contributions over the YMPE:	$\$3000 - 2496.15 = 503.85 \times .109 = 54.92$
3. Calculate total biweekly contributions:	$\$209.68 + 54.92 = 264.60$
Required bi-weekly employee contributions:	$\$264.60$

Example # 2:

Part-time employee with bi-weekly full-time equivalent salary rate \$3000.00, work percentage is 75%:

	<u>26 pays</u>
1. Calculate contributions under the YMPE:	$\$2496.15 \times .084 = 209.68$
2. Calculate contributions over the YMPE using the 100% salary rate:	$\$3000 - 2496.15 = 503.85 \times .109 = 54.92$
3. Calculate total biweekly contributions:	$\$209.68 + 54.92 = 264.60$
4. Reduce contributions by work percentage:	$\$264.60 \times .75 = \198.45
Required bi-weekly employee contributions:	$\$198.45$

PA CALCULATION

The factors to be used in the calculation of PA's for **2021** are:

YMPE	\$ 61,600.00
Maximum benefit accrual	\$ 3,245.56
Maximum PA	\$ 28,610.00

SERP (2022)

The annual Supplementary Employee Retirement Plan (SERP) cap limit for 2022 is \$193,715 which is \$7,450.58 bi-weekly (26 pays).

Employers who participate in the SERP should cap employer contributions at \$749.71 bi-weekly (26 pays).

Employers who do not participate in the SERP should cap both employee and employer contributions at the 2022 limits. Bi-weekly salary rates should not exceed the SERP cap rates \$7,450.58 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).