



Office of the Superintendent of
Financial Institutions Canada

Bureau du surintendant des
institutions financières Canada

Office of the Chief Actuary

Bureau de l'actuaire en chef

Actuarial report

21st

on the pension plan for the
Royal Canadian Mounted Police

as at 31 March 2024

Office of the Chief Actuary

Office of the Superintendent of Financial Institutions Canada
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Ottawa, Ontario
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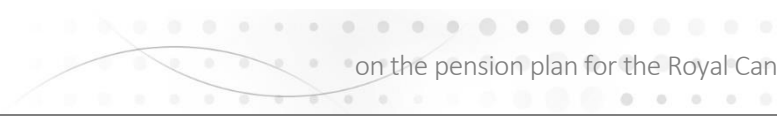
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September 25, 2025

The Honourable Shafqat Ali, P.C., M.P.
President of the Treasury Board
Ottawa, Canada
K1A 0R5

Dear Minister:

Pursuant to section 6 of the *Public Pensions Reporting Act*, I am pleased to submit the report on the actuarial review as at 31 March 2024 of the pension plan for the Royal Canadian Mounted Police. This actuarial review is in respect of pension benefits and contributions which are defined by Parts I, III, and IV of the *Royal Canadian Mounted Police Superannuation Act*, the *Special Retirement Arrangements Act* and the *Pension Benefits Division Act*.

Yours sincerely,

Assia Billig, FCIA, FSA, PhD
Chief Actuary
Office of the Chief Actuary



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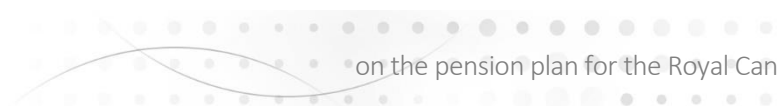


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1 Highlights of the report

Main findings for the Actuarial report on the pension plan for the Royal Canadian Mounted Police as at 31 March 2024		
	Superannuation Account (Service prior to 1 April 2000)	Pension Fund (Service since 1 April 2000)
Financial position	➤ The balance of the Superannuation Account is \$13,557 million.	➤ The actuarial value of the assets in respect of the Pension Fund is \$18,463 million.
	➤ The actuarial liability for service prior to 1 April 2000 ^a is \$14,125 million.	➤ The actuarial liability for service since 1 April 2000 is \$16,211 million.
	➤ The resulting actuarial shortfall is \$568 million.	➤ The resulting actuarial surplus is \$2,252 million.
Funded ratio/Special credits or payments	➤ It is expected that the government will make a one-time nominal credit of \$603 million as at 31 March 2026 to eliminate the actuarial shortfall.	➤ The funded ratio is 113.9%.
	➤ The payment takes into account the interest on the shortfall accumulated from 31 March 2024 to 31 March 2026.	
Member ^b contribution rates	➤ No contribution is made to the Superannuation Account ^c .	➤ For calendar year 2026, the contribution rate is assumed to be 9.10% of earnings below the YMPE and 11.69% of earnings above the YMPE ^d .
Projected current service cost (calendar year 2026)	➤ No current service cost for the Superannuation Account.	➤ Member contributions: \$294 million. ➤ Government contributions: \$379 million.

- The actuarial liability for service prior to April 1, 2000, refers to the actuarial liability for service accrued prior to that date except for service elections made on or after April 1, 2000. Service elections made on or after 1 April 2000 are deemed to be service accrued since that date.
- Any reference to member in this report should be read as contributor as defined in the *Royal Canadian Mounted Police Superannuation Act*.
- Except contributions towards prior service elections.
- Contribution rates are equal to the contribution rates of Group 1 contributors under the pension plan for the Public Service of Canada.

2 Introduction

This actuarial report on the pension plan for the Royal Canadian Mounted Police (RCMP pension plan) was made pursuant to the *Public Pensions Reporting Act* (PPRA).

This actuarial valuation is as at 31 March 2024 and is in respect of pension benefits and contributions defined by Parts I, III, and IV of the *Royal Canadian Mounted Police Superannuation Act* (RCMPSA), the *Special Retirement Arrangements Act* (SRAA), which covers the Retirement Compensation Arrangement (RCA), and the *Pension Benefits Division Act* (PBDA).

The previous actuarial report was prepared as at 31 March 2021. The date of the next periodic review is scheduled to occur no later than 31 March 2027.

2.1 Purpose of the actuarial report

The purposes of the actuarial report are to:

- determine the state of the Royal Canadian Mounted Police (RCMP) Superannuation Account (Superannuation Account), the RCMP Pension Fund (Pension Fund) and the RCA;
- determine the projected current service costs of the RCMP Pension Fund and RCA; and
- assist the President of the Treasury Board in making informed decisions regarding the financing of the government's pension benefit obligations.

This document is intended solely for the above purposes. It was prepared to meet those specific objectives and may not be suitable for any other purposes prior to obtaining approval from the Office of the Chief Actuary (OCA).

For any questions regarding the proper use of this document please contact the OCA.

2.2 Structure of the report

Section 3 presents a general overview of the valuation basis used in preparing this actuarial report and section 4 presents the financial position of the plan as well as the reconciliation of the changes in financial position and the cost certificate.

Finally, section 5 provides the actuarial opinion for the current valuation.

The various appendices provide a summary of the RCMP pension plan provisions, a description of data, methodologies and assumptions employed. The appendices also provide pension plan projections, scenarios illustrating downside risks and the uncertainty of results resulting from future investment returns.

Numbers shown in tables throughout this report may not add up due to rounding.

3 Valuation basis

3.1 Valuation inputs

This report is based on pension benefit provisions enacted by legislation, summarized in Appendices A and B.

No amendments were made to The *Royal Canadian Mounted Police Superannuation Act* since the previous valuation.

The Funding Policy for the Public Sector Pension Plans (Funding Policy) was approved by the Treasury Board in 2018. The policy provides guidance and rules to support prudent governance of the plans¹ and ensures that sufficient assets are accumulated to meet the cost of the accrued pension benefits. The methods and assumptions of this actuarial valuation are consistent with the provisions of the Funding Policy.

As a result of amendments contained in the *Economic Action Plan 2014 Act, No. 2*, it was expected that active RCMP civilian members would become Public Service Employees under the *Public Service Employment Act* and would join the pension plan for the Public Service of Canada (PS pension plan). However, the integration of RCMP civilian members into the Public Service Employment Act has been indefinitely postponed. As a result, no adjustments to liabilities and current service have been made in the report.

Member contribution rates for calendar years 2025 to 2027 are equal to the contribution rates of Group 1 contributors under the PS pension plan determined in the 20th Actuarial report on the public service pension plan of Canada as at 31 March 2023. Although an evolution of the contribution rates is anticipated after 2027, we have assumed that they will remain at their 2027 level for the purposes of this report.

The financial data on which this valuation is based are composed of:

- the Pension Fund, comprised of invested assets that the government has earmarked for the payment of benefits for service since 1 April 2000;
- the Superannuation Account, established to track the government's pension benefit obligations for service prior to 1 April 2000; and
- the RCA Account established to track pension benefit obligations in excess of those that can be provided under the Income Tax Act limits for registered pension plans.

These pension assets and account balances are summarized in Appendix C.

The membership data are provided by the Department of Public Services and Procurement Canada (PSPC). Membership data and tests performed on them are summarized in Appendix D.

The valuation was prepared using accepted actuarial practices in Canada and is based on methods and assumptions summarized in Appendices E to H.

All actuarial assumptions used in this report are best-estimate assumptions and do not include

¹ The plans refer to the pension plans for the Public Service of Canada, the Canadian Forces (Regular Force and Reserve Force) and the RCMP.

any margin for adverse deviations. They are independently reasonable and appropriate in aggregate for the purposes of the valuation at the date of this report.

Actuarial assumptions used in the previous report were revised based on economic trends and demographic experience and trends. A complete description of the assumptions is detailed in Appendices F to H.

Table 1 presents a summary of the ultimate economic assumptions used in this report and those used in the previous report.

Table 1 Ultimate best-estimate economic assumptions

Assumption	31 March 2024	31 March 2021
Assumed level of inflation	2.0%	2.0%
Real increase in pensionable earnings	0.5%	0.6%
Real increase in YMPE and MPE ^a	0.8%	0.9%
Real rate of return on the Pension Fund	4.0%	3.9%
Real projected yield on the Superannuation Account	2.0%	2.0%
Real projected yield on the RCA Account	2.0%	2.0%

a. Year's Maximum Pensionable Earnings and Maximum Pensionable Earnings.

Table 2 presents a summary of the demographic assumptions used in this report and those used in the previous report.

Table 2 Demographic assumptions

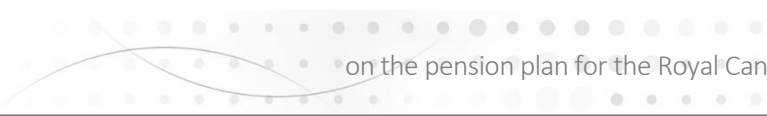
Assumption	31 March 2024	31 March 2021
Promotional and seniority rate of increase ^a		
Regular members	0.6 to 2.7%	0.2 to 2.6%
Civilian members	0.2 to 2.4%	0.6 to 2.4%
Cohort life expectancy if age 65 in valuation year		
Regular members male	22.9	22.5
Regular members female	24.5	25.0
Civilian members male	22.7	22.4
Civilian members female	24.2	24.1
Average retirement age		
Regular members	57.1	57.0
Civilian members	60.0	59.1

a. Range of increase for years of service from 4 to 35. More details can be found in Appendix G.

3.2 Subsequent events

The *Pay Equity Act*, which came into force on 31 August 2021, applies to all federally regulated employers with 10 or more employees. It initially required plans to be developed within 3 years of that date. On 5 July 2024, the Pay Equity Commissioner granted the Treasury Board Secretariat an 18-month extension to post a final pay equity plan for regular and civilian members of the RCMP, with a new deadline of 28 February 2026.

Since the final pay equity plan is still under development and the full impact on compensation remains uncertain, the estimated impact of the anticipated salary increases has not been reflected in this valuation.



In July 2025, the Government of Canada announced a Comprehensive Expenditure Review (CER). Since the details were not available at the time of preparing this report, we have not reflected its potential impact in this report.

The Canadian and global economies are going through a period of heightened uncertainty, due in part to escalating trade tensions, environmental risks, and geopolitical conflicts. The future impacts of these issues and risks on this report are still uncertain and evolving and they have not been recognized as subsequent events.

As of the date of the signing of this report, we were not aware of any other subsequent events that may have a material impact on the results of this valuation.

4 Valuation results

This report is based on pension benefit provisions enacted by legislation, summarized in Appendices A and B, and the financial and membership data, summarized in Appendices C and D, respectively. The valuation was prepared using accepted actuarial practices, methods and assumptions summarized in Appendices E to H. Emerging experience differing from the corresponding assumptions will result in gains or losses which will be revealed in subsequent reports.

4.1 RCMPSA – Financial position

The Superannuation Account is credited with prior service contributions and government credits for elections made prior to 1 April 2000 and is debited by benefit payments and administrative expenses for service accrued prior to 1 April 2000.

Since 1 April 2000, member and government contributions in excess of benefits and administrative expenses are transferred to the Pension Fund and invested in the financial markets by the Public Sector Pension Investment Board (PSP Investments).

Table 3 presents the state of the Superannuation Account as at 31 March 2024. The results of the previous valuation are also shown for comparison.

Table 3 State of the Superannuation Account (in \$ millions)		
Components of financial position	31 March 2024	31 March 2021
Recorded balance		
Recorded account balance	13,552	13,353
Present value of prior service contributions	5	6
Total recorded balance	13,557	13,359
Actuarial liability		
Regular members		
Contributors	573	1,126
Retirement pensioners	9,761	9,923
Disability pensioners	1,677	1,502
Surviving dependents - Spouse	967	807
Civilian members		
Contributors	51	89
Retirement pensioners	770	778
Disability pensioners	105	106
Surviving dependents - Spouse	62	56
Administrative expenses	159	115
Outstanding payments	0	1
Total actuarial liability	14,125	14,503
Actuarial excess/(shortfall)	(568)	(1,144)

In accordance with the RCMPSPA, the actuarial shortfall of \$568 million could be amortized over a maximum period of 15 years beginning on 31 March 2026. If the shortfall is amortized over the maximum period, 15 equal annual credits of \$48 million could be made to the Superannuation Account. The time, manner and amount of such credits are to be determined by the President of the Treasury Board.

It is expected that the government will eliminate the actuarial shortfall of the Superannuation Account by making a one-time credit of \$603 million as at 31 March 2026 that takes into account the interest on the shortfall accumulated from 31 March 2024 to 31 March 2026.

Table 4 presents the financial position of the Pension Fund as at 31 March 2024. The results of the previous valuation are also shown for comparison.

Table 4 Financial position of the Pension Fund (in \$ millions)		
Components of financial position	31 March 2024	31 March 2021
Assets		
Market value of assets	19,008	14,681
Actuarial smoothing adjustment ^a	(600)	(1,056)
Receivable contributions	44	164
Present value of prior service contributions	11	13
Total actuarial value of assets	18,463	13,802
Actuarial liability		
Regular members		
Contributors	8,306	7,001
Retirement pensioners	3,734	2,854
Disability pensioners	2,196	1,231
Surviving dependents - Spouse	121	78
Civilian members		
Contributors	1,069	956
Retirement pensioners	556	416
Disability pensioners	198	139
Surviving dependents - Spouse	19	13
Outstanding payments	12	32
Total actuarial liability	16,211	12,720
Actuarial surplus/(deficit)	2,252	1,082

a. Includes the unrecognized investment gains and losses as well as the impact of the application of a corridor, if applicable.

As at 31 March 2024, the Pension Fund has a surplus of \$2,252 million and the funded ratio is 113.9%. As such, no special payments are required and there is no non-permitted surplus².

² A non-permitted surplus exists when the amount by which the assets exceed the liabilities is greater than 25 percent of the amount of liabilities.

4.2 RCMPA – Reconciliation of the changes in financial position

Table 5 shows the reconciliation of the changes in the financial positions of the Superannuation Account and the Pension Fund. Explanations of the items largely responsible for the changes follow the table. Positive numbers represent improvements to the financial position whereas negative numbers represent deteriorations.

Table 5 Reconciliation of financial position from 31 March 2021 to 31 March 2024 by financing arrangement
(in \$ millions)

Components of reconciliation of the financial position	Superannuation Account actuarial excess/(shortfall)	Pension Fund actuarial surplus/(deficit)
Financial position as at 31 March 2021	(1,144)	1,082
Recognized investment gains or (losses) as at 31 March 2021	n/a	1,056
Change in methodology	6	11
Revised financial position as at 31 March 2021	(1,138)	2,149
Expected interest on revised financial position	(113)	425
Special credits or payments with interest	1,258	n/a
Net experience gains and (losses)	(559)	40
Revision of actuarial assumptions	38	196
Change in the present value of prior service contributions	(2)	42
Change in the present value of administrative expenses	(52)	n/a
Unrecognized investment (gains) or losses as at 31 March 2024	n/a	(600)
Financial position as at 31 March 2024	(568)	2,252

4.2.1 Recognized investment gains or losses as at 31 March 2021

An actuarial asset valuation method that minimizes the impact of short-term fluctuations in the market value of assets was used in the previous valuation report, causing the actuarial value of the Pension Fund assets to be \$1,056 million less than its market value.

4.2.2 Change in methodology

Improvements to the actuarial valuation software were made. The impacts of these improvements decreased the Superannuation Account shortfall as at 31 March 2021 by \$6 million and increased the Pension Fund surplus as at the same date by 11 million.

4.2.3 Expected interest on revised initial financial position

The amount of interest expected to accrue during the intervaluation period increased the revised shortfall by \$113 million for the Superannuation Account and increased the revised surplus by \$425 million for the Pension Fund.

These amounts of interest were based on the Superannuation Account yields and on the Pension Fund returns projected in the previous report for the three-year intervaluation period shown in Table 28.

4.2.4 Special credits/payments

The government made a one-time special credit as at 31 March 2023 to eliminate the \$1,144 million shortfall reported in the Superannuation Account as at 31 March 2021. After factoring the expected interest, this credit resulted in an increase of \$1,258 million in the recorded balance of the Superannuation Account as at 31 March 2024.

4.2.5 Experience gains and (losses)

Since the previous valuation, experience gains and losses have increased the Superannuation Account shortfall by \$559 million and have increased the Pension Fund surplus by \$40 million. Table 6 shows the main experience gain and loss items followed by explanatory notes (a) through (c). Positive numbers represent improvements to the financial position whereas negative numbers represent deteriorations.

Table 6 Experience gains and losses from 31 March 2021 to 31 March 2024 by financial arrangement
(in \$ millions)

Components of experience gains and (losses)	Type of experience	Superannuation Account	Pension Fund
Terminations	Demographic	1	12
Retirements	Demographic	(2)	34
Disabilities	Demographic	6	(84)
Mortality	Demographic	(2)	(31)
Investment earnings (a)	Economic	6	644
Service/contributions difference	Economic	0	(88)
Expected/actual disbursements	Economic	(36)	34
Corrections to the population data	Economic	11	(32)
Pension indexation (b)	Economic	(523)	(234)
Salary, YMPE, and MPE increases (c)	Economic	(18)	(213)
Pension benefit division	Economic	2	2
Administrative expenses	Economic	(1)	(1)
Miscellaneous	Other	(3)	(3)
Total experience gains and (losses)	n/a	(559)	40

Table 6 explanatory notes:

- a. The rates of interest credited to the Superannuation Account were in aggregate higher than the corresponding projected Account yields in the previous valuation resulting in an experience gain and decreased the Account shortfall by \$6 million.

The return realized on the Pension Fund for plan years 2022 to 2024 were 10.9%, 4.4%, and 7.2% versus the expected returns of 6.5%, 6.4%, and 5.7%, respectively. Consequently, the Pension Fund experienced an investment gain, and increased the Fund surplus by \$644 million over the three-year intervalation period.

- b. The pension benefit indexation rates for the period from January 2022 to January 2024 were 2.4%, 6.3%, and 4.8% respectively versus the expected indexation of 2.4%, 4.8%, and 2.2%, respectively. Consequently, the Superannuation Account shortfall increased by \$523 million

and the Pension Fund surplus decreased by \$234 million.

- c. Higher-than-expected salary increases increased the Superannuation Account shortfall by \$18 million and decreased the Pension Fund surplus by \$213 million.

4.2.6 Revision of actuarial assumptions

Actuarial assumptions were revised based on economic trends and demographic experience and trends as described in Appendices F and G. These revisions have decreased the Superannuation Account shortfall by \$38 million and increased the Pension Fund actuarial surplus by \$196 million. The impact of these revisions is presented in Table 7 and the most significant economic assumption revisions are discussed thereafter in explanatory notes (a) through (e). Positive numbers represent improvements to the financial position whereas negative numbers represent deteriorations.

Table 7 Impact of the revision of actuarial assumptions on the financial position
(in \$ millions)

Actuarial assumptions	Type of assumption	Superannuation Account	Pension Fund
Yields and rates of return (a)	Economic	147	453
Increases in pensionable earnings and YMPE/MPE (b)	Economic	(3)	(76)
Pension indexation (c)	Economic	(99)	(53)
Transfer value rates	Economic	0	34
Mortality rates of healthy members	Demographic	29	20
Mortality rates of disabled members	Demographic	(5)	(14)
Mortality rates of survivors	Demographic	46	16
Mortality improvement rates (d)	Demographic	(81)	(85)
Withdrawal rates	Demographic	0	(13)
Retirement rates	Demographic	6	67
Disability rates (e)	Demographic	(2)	(148)
Seniority and promotional increases	Demographic	0	(5)
Net impact of revisions	n/a	38	196

The net impact of the revision of the assumptions is largely attributable to the changes in economic assumptions as well as mortality and disability assumptions.

Table 7 explanatory notes:

- a. The nominal rate of return on assets for the Pension Fund during the select period (plan years 2025 to 2032) was increased, on average, from 5.7% to 6.0%, while the ultimate rate (plan years 2033 and beyond) was increased from 5.9% to 6.0%. The projected yields on the Superannuation Account for plan years 2025 to 2046 were increased, on average, from 3.0% to 3.1%.
- b. The assumed increases in pensionable earnings during plan years 2025 to 2027 were revised, on average, from 2.7% to 3.8% for regular members and from 2.7% to 2.3% for civilian members. The ultimate increase in pensionable earnings was decreased from 2.6% to 2.5%. Furthermore, there were minor changes to the YMPE and MPE increases with minimal

impacts on the financial situation.

- c. The assumed pension indexation during plan years 2025 to 2027 was increased, on average, from 2.1% to 2.4%.
- d. The ultimate mortality improvement rate assumption was increased from 0.8% to 1.0%. The impact of all other adjustments to the mortality improvement assumption is minimal.
- e. The disability rate assumption was increased to reflect a recent upward trend in disability incidence rates observed in the intervaluation period.

Additional details of the changes in economic and demographic assumptions are described in Appendix F and Appendix G respectively.

4.2.7 Change in the present value of prior service contributions

New members' prior service election paid through instalments since the last report and changes to payment schedules for some members resulted in a change in the present value of prior service contributions. This change increased the Account shortfall by \$2 million and increased the Pension Fund surplus by \$42 million.

4.2.8 Change in the present value of administrative expenses

The administrative expense assumption was increased by 0.05% and corresponds to 0.50% of total pensionable payroll.

For plan year 2025, 51% of total administrative expenses are being charged to the Superannuation Account; it is assumed that the proportion charged to the Superannuation Account will reduce at the rate of 1.1% per year. In the previous valuation, they were expected to be 49.5% in plan year 2025, decreasing by 1.5% every year. This change in the allocation of administrative expenses to the Superannuation Account increased the Account shortfall by \$52 million as at 31 March 2024.

4.2.9 Unrecognized investment gains

An actuarial asset valuation method that minimizes the impact of short-term fluctuations in the market value of assets was also used for this valuation. The method, which is described in Appendix E resulted in an actuarial value of assets that is \$600 million less than the market value of the Pension Fund assets as at 31 March 2024.

4.3 RCMPA – Cost certificate

4.3.1 Current service cost

The details of the current service cost for plan year³ 2026 and a reconciliation with the current service cost for plan year 2023 are shown below in Table 8 and Table 9 respectively.

Table 8 Current service cost for plan year 2026
(in \$ millions)

Member required contributions	285
Government current service cost	370
Total current service cost	655
Expected pensionable payroll	2,786
Total current service cost as a percentage of expected pensionable payroll	23.51%

Table 9 Reconciliation of current service cost
(as a percentage of pensionable payroll)

Current service cost for plan year 2023	23.73
Expected current service cost change between plan years 2023 and 2026	0.06
Change in methodology	0.09
Intervaluation experience	0.05
Changes in economic assumptions	(0.97)
Changes in demographic assumptions	0.55
Current service cost for plan year 2026	23.51

4.3.2 Projection of current service cost

The current service cost is borne jointly by the members and the government. The member contribution rates are determined on a calendar year basis and they have been changed since the last valuation. Contribution rates are equal to the contribution rates of Group 1 contributors under the pension plan for the Public Service of Canada. Table 10 presents these contribution rates.

Table 10 Member contribution rates

Calendar year	Below YMPE	Above YMPE
2024	9.35%	12.25%
2025	9.06%	11.64%
2026	9.10%	11.69%
2027	9.15%	11.75%

Table 11 shows the projection of the RCMPA current service costs on a plan year basis, expressed in dollar amount as well as in percentage of the projected pensionable payroll (as defined in Appendix A).

³ Any reference to a given plan year throughout this report should be taken as the 12-month period ending 31 March of the given year.

Table 11 Projection of current service cost on a plan year basis

Plan year	In \$ millions			As a percentage of pensionable payroll			Portion borne by the government
	Contributors	Government	Total	Contributors	Government	Total	
2026	285	370	655	10.23%	13.28%	23.51%	56.5%
2027	297	382	679	10.26%	13.19%	23.45%	56.2%
2028 ^a	308	395	703	10.31%	13.23%	23.54%	56.2%
2029 ^a	318	410	728	10.33%	13.32%	23.65%	56.3%

a. Contributions for plan year 2028 and 2029 are based on estimated employee contribution rates for Group 1 contributors under the pension plan for the Public Service of Canada.

Table 12 shows projections of current service cost expressed in millions of dollars and as a percentage of the expected pensionable payroll for the three calendar years following the expected tabling of this report. The ratio of government current service cost to contributor current service cost is also shown.

The projections of current service cost shown in this table are based on the member contribution rates presented in Table 10 and government contribution rates required to fund the current service cost.

Table 12 Projection of current service cost on a calendar year basis

Calendar year	In \$ millions			As a percentage of pensionable payroll			Ratio of government to contributor current service cost
	Contributors	Government	Total	Contributors	Government	Total	
2026	294	379	673	10.26%	13.22%	23.48%	1.29
2027	305	392	697	10.29%	13.23%	23.52%	1.29
2028	316	406	722	10.34%	13.28%	23.62%	1.28

4.3.3 Administrative expenses

Table 13 shows an estimation of the Pension Fund administrative expenses which are included in the total current service cost based upon the assumptions described in Appendix F.3.4.1.

Table 13 Pension Fund administrative expenses

Plan year	(in \$ millions)
2026	7
2027	7
2028	8
2029	8

The Superannuation Account administrative expenses have been capitalized and are shown as a liability in the balance sheet.

4.3.4 Contributions for prior service elections

Table 14 shows an estimation of member and government contributions for prior service elections.

Table 14 Estimated contributions for prior service elections
(in \$ millions)

Plan year	Superannuation Account		Pension Fund	
	Contributors	Government	Contributors	Government
2026	0.2	0.2	0.6	0.7
2027	0.2	0.2	0.5	0.6
2028	0.2	0.2	0.5	0.6
2029	0.2	0.2	0.4	0.5

4.4 RCMPSA – Sensitivity of valuation results to economic assumptions

The information required by statute, which is presented in this report, has been derived using best-estimate assumptions regarding future demographic and economic trends. The key best-estimate assumptions, i.e. those for which changes within a reasonable range have the most significant impact on the long-term financial results, are described in Appendices F and G.

Given the length of the projection period and the number of assumptions required, it is unlikely that the actual experience will develop precisely in accordance with the best-estimate assumptions. Individual sensitivity tests have been performed, projecting the pension plan's financial status using alternative assumptions.

Table 15 shows the effect on the plan year 2026 current service cost as well as the effect on the actuarial liabilities at the valuation date for the Superannuation Account and the Pension Fund when key economic assumptions are varied by one percentage point per annum.

Table 15 Sensitivity of valuation results to variations in key economic assumptions

Measure Account	Current service cost (as a percentage of pensionable payroll)		Actuarial liability (in \$ millions)			
	Pension Fund		Superannuation Account		Pension Fund	
	2026	Effect	As at 31 March 2024	Effect	As at 31 March 2024	Effect
Assumption(s) varied						
None (i.e. current basis)	23.51	n/a	14,125	n/a	16,211	n/a
Investment yield/return 1% higher ^a	18.80	(4.71)	12,683	(1,442)	13,784	(2,427)
Investment yield/return 1% lower ^a	29.94	6.43	15,860	1,735	19,389	3,178
Pension indexation 1% higher	26.72	3.21	15,805	1,680	18,395	2,184
Pension indexation 1% lower	20.91	(2.60)	12,700	(1,425)	14,443	(1,768)
Salary, YMPE and MPE 1% higher	25.89	2.38	14,133	8	16,804	593
Salary, YMPE and MPE 1% lower	21.72	(1.79)	14,115	(10)	15,701	(510)
Inflation 1% higher ^b	23.37	(0.14)	14,100	(25)	16,026	(185)
Inflation 1% lower ^b	23.96	0.45	14,148	23	16,431	220

a. Includes sensitivity to transfer value real interest rates.

b. The inflation is an underlying assumption for most economic assumptions. A change in inflation impacts nominal investment yield/return, pension indexation, as well as salary, YMPE, and MPE. Transfer value real interest rates are not impacted by the inflation change.

The differences between the results above and those shown in the valuation can also serve as a basis for approximating the effect of other numerical variations in one of a key assumption to

the extent that such effects are assumed to be linear.

4.5 RCA – Financial position

Table 16 shows the financial position of the RCA as at 31 March 2024. The results of the previous valuation are also shown for comparison.

Table 16 State of the RCA (in \$ millions)		
Components of financial position	31 March 2024	31 March 2021
Recorded RCA Account balance	36	36
Refundable tax	36	35
Total amount of RCA	72	71
Actuarial liability		
Contributors	23	12
Pensioners	70	52
Total actuarial liability	93	64
Actuarial excess/(shortfall)	(21)	7

The total amount of the RCA as at 31 March 2024 is \$72 million, which falls short of the actuarial liability of \$93 million by \$21 million.

In accordance with the SRAA, the actuarial shortfall of \$21 million could be amortized over a maximum period of 15 years beginning on 31 March 2026. If the shortfall is amortized over the maximum period, 15 equal annual credits of \$1.8 million could be made to the RCA Account. The time, manner and amount of such credits are to be determined by the President of the Treasury Board.

It is expected that the government will eliminate the actuarial shortfall of the RCA by making a one-time credit of \$22 million as at 31 March 2026 that takes into account the interest on the shortfall accumulated from 31 March 2024 to 31 March 2026.

4.6 RCA - Current service cost

Borne jointly by the contributors and the government, the projected RCA current service cost of 0.04% of pensionable payroll for plan year 2026 is estimated to remain at the same level for the next three plan years.

Table 17 shows the RCA current service costs expressed in millions of dollars and as a percentage of the projected pensionable payroll in each given plan year.

Table 17 RCA current service cost
(in \$ millions)

Components of current service cost	Plan year			
	2026	2027	2028	2029
Pensionable excess earnings ^a	1.03	1.06	1.10	1.13
Survivor allowance ^a	<u>0.12</u>	<u>0.13</u>	<u>0.13</u>	<u>0.13</u>
Total current service cost	1.15	1.19	1.23	1.26
Member contributions - pensionable excess earnings	0.38	0.39	0.40	0.41
Government current service cost	0.77	0.80	0.83	0.85
Total current service cost as a percentage of pensionable payroll	0.04%	0.04%	0.04%	0.04%

a. See Appendix B for details on the provisions of the RCA.

Table 18 shows the projected current service cost in millions of dollars and as a percentage of the expected pensionable payroll for the three calendar years following the expected tabling of this report. The ratio of government current service cost to contributor current service cost is also shown.

Table 18 RCA current service cost on a calendar year basis

Calendar year	In \$ millions			As a percentage of pensionable payroll			Ratio of government to contributor current service cost ^a
	Contributors	Government	Total	Contributors	Government	Total	
2026	0.39	0.79	1.18	0.01	0.03	0.04	2.03
2027	0.40	0.82	1.22	0.01	0.03	0.04	2.05
2028	0.41	0.85	1.26	0.01	0.03	0.04	2.07

a. Calculated on contributions in dollars

4.7 Summary of estimated government costs

Table 19 summarizes the estimated total government costs for the Pension Fund on a plan year basis. Table 20 summarizes the estimated total government credits for the RCA and the Superannuation Account on a plan year basis.

Table 19 Estimated government contributions
(in \$ millions)

Plan year ^a	Current service cost Pension Fund	Prior service contributions Pension Fund	Total government contributions
2026	370.0	0.7	370.7
2027	382.0	0.6	382.6
2028	395.0	0.6	395.6
2029	410.0	0.5	410.5

a. The amounts are theoretical in nature since contribution rates are determined on a calendar year basis and not a plan year basis.

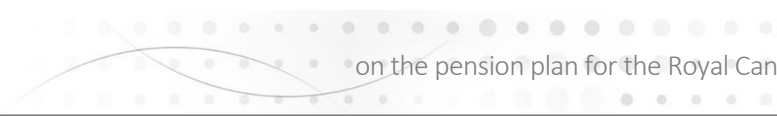


Table 20 Estimated government credit
(in \$ millions)

Plan year ^a	RCA current service cost	Expected special credit RCA	Expected special credit Superannuation Account	Prior service contributions	Total government credit
2026	0.8	22.2	602.6	0.2	625.8
2027	0.8	0.0	0.0	0.2	1.0
2028	0.8	0.0	0.0	0.2	1.0
2029	0.9	0.0	0.0	0.2	1.1

a. The amounts are theoretical in nature since contribution rates are determined on a calendar year basis and not a plan year basis.

5 Actuarial opinion

In our opinion, considering that this report was prepared pursuant to the *Public Pensions Reporting Act*,

- the valuation data on which the valuation is based are sufficient and reliable for the purposes of the valuation;
- the assumptions used are individually reasonable and appropriate in the aggregate for the purposes of the valuation; and
- the methods employed are appropriate for the purposes of the valuation.

This report has been prepared, and our opinions given, in accordance with accepted actuarial practice in Canada. In particular, this report was prepared in accordance with the Standards of Practice (General Standards and Practice – Specific Standards for Pension Plans) published by the Canadian Institute of Actuaries.

The subsequent events described in Section 3.2 were not considered in this valuation since the details were not available at the time the report was prepared. To the best of our knowledge, after discussion with Public Services and Procurement Canada and the Royal Canadian Mounted Police, there were no other subsequent events between the valuation date and the date of this report that would have a material impact on the results of this valuation.

Assia Billig, FCIA, FSA
Chief Actuary

Annie St-Jacques, FCIA, FSA

François Lemire, FCIA, FSA

Ottawa, Canada
25 September 2025

Appendix A — Summary of pension benefit provisions

Pensions for members of the Royal Canadian Mounted Police (“the force”) were provided under the *Royal Canadian Mounted Police Act* until the *Royal Canadian Mounted Police Pension Continuation Act* and the *Royal Canadian Mounted Police Superannuation Act* (RCMPSA) were enacted in 1959. Benefits are also provided to members of the force under the *Special Retirement Arrangements Act*. Benefits may be modified in accordance with the *Pension Benefits Division Act* if there is a breakdown of a spousal union.

Changes since the last valuation

No amendments were made to the RCMPSA or the *Royal Canadian Mounted Police Superannuation Regulations* since the previous valuation.

Summary of pension benefit provisions

This Appendix summarizes the pension benefits provided under the RCMPSA registered provisions which are in compliance with the *Income Tax Act*. The portion of the benefits in excess of the *Income Tax Act* limits for registered pension plans is provided under the retirement compensation arrangements described in Appendix B.

In case of any discrepancy between this summary and the legislation, the legislation shall prevail.

A.1 Membership

Membership in the plan is compulsory for all members of the force regardless of length of service.

A.2 Contributions

A.2.1 Members

During the first 35 years of pensionable service, members contribute according to the rates determined by the Treasury Board which must not exceed the contribution rates paid by Group 1 contributors under the Public Service pension plan (PS pension plan). Table 21 shows contribution rates of Group 1 contributors under the PS pension plan. It is assumed that the RCMP contribution rates will be equal to those of the PS pension plan. More information on the rates assumed under the PS pension plan can be found in the Actuarial Report on the pension plan for the Public Service of Canada as at 31 March 2023.

Table 21 Member contribution rates		
Calendar year	Below YMPE	Above YMPE
2024	9.35%	12.25%
2025	9.06%	11.64%
2026	9.10%	11.69%
2027	9.15%	11.75%

After 35 years of pensionable service, members contribute 1% of pensionable earnings.

A.2.2 Government

A.2.2.1 Current service

The government determines its ongoing monthly cost as an amount, which when combined with the required contributions by members in respect of current service, is sufficient to cover the cost, as estimated by the President of the Treasury Board, of all future benefits that have accrued in respect of pensionable service during that month and the Pension Fund administrative expenses incurred during that month.

A.2.2.2 Elected prior service

The government matches member contributions made under the Superannuation Account for prior service elections. Government credits to the Pension Fund in respect of elected prior service are as described for current service.

A.2.2.3 Actuarial excess and surplus

The RCMPSPA gives the government the authority to:

- debit the excess of the balance of the Superannuation Account over the actuarial liability subject to limitations, and
- deal with any actuarial surplus, subject to limitations, in the Pension Fund as they occur, either by
 - reducing government contributions or
 - reducing employee and government contributions or
 - by making withdrawals.

A.2.2.4 Actuarial shortfall and deficit

In accordance with the RCMPSPA, if either a Superannuation Account actuarial shortfall or a Pension Fund actuarial deficit is identified through a triennial statutory actuarial valuation, the actuarial shortfall/deficit can be amortized over a period of up to 15 years.

The President of the Treasury Board will determine the time, the manner and the amount of credits to be made. The shortfall/deficit must be fully paid by the end of the fifteen fiscal year following the tabling of that report at the latest.

A.3 Summary description of benefits

The objective of the RCMP pension plan is to provide an employment earnings-related lifetime retirement pension to eligible members. Benefits to members in case of disability and to the spouse and children of members in case of death are also provided.

Subject to coordination with the pensions paid by the Canada Pension Plan (CPP) or the Québec Pension Plan (QPP), the initial rate of retirement pension is equal to 2% of the highest average annual pensionable earnings over any period of five consecutive years, multiplied by the number of years of pensionable service not exceeding 35. Once in pay, the pension is indexed with the Consumer Price Index. Such indexation also applies to deferred pensions during the deferral period. Entitlement to benefits depends on either service in the force or pensionable service, as

defined in notes A.4.3 and A.4.4 below.

A summary of benefits per type of termination for regular members, civilian members and pensioners are shown in Table 22, Table 23, and Table 24, respectively. Explanatory notes referred to in these tables are provided in section A.4.

Table 22 Summary of benefits for regular members

Type of termination	Service in the force (unless stated otherwise)	Benefit
Retirement because of age (note A.4.5)	Under 2 years	Greater of: • return of contributions (note A.4.6), or • cash termination allowance (note A.4.7)
	2 years or more	Immediate annuity (note A.4.8)
Compulsory retirement to promote economy or efficiency in the force	Under 2 years	Return of contributions
	2 years to less than 20 years	Choice of: • deferred annuity (note A.4.9), or • reduced immediate annuity (note A.4.11)
	20 years or more	Immediate annuity
Compulsory retirement because of misconduct	Any period	At the discretion of the Treasury Board (note A.4.12)
Other voluntary withdrawal or retirement	Under 2 years	Return of contributions
	2 years to less than 20 years	Choice of: • deferred annuity, or • transfer value if under age 60 (note A.4.10)
	20 years to less than 25 years	Annual allowance (note A.4.13)
	25 years or more	Immediate annuity
Compulsory retirement because of disability	Under 2 years of pensionable service	Greater of: • return of contributions, or • cash termination allowance
	2 years or more of pensionable service	Immediate annuity
Death leaving no eligible survivor	Under 2 years of pensionable service	Return of contributions to nominated beneficiary, otherwise to estate
	2 years or more of pensionable service	Minimum death benefit (note A.4.17)
Death leaving eligible survivor(s) (notes A.4.15 and A.4.16)	Under 2 years of pensionable service	Greater of: • return of contributions, or • one month of pay per year of pensionable service
	2 years or more of pensionable service	Annual allowance to eligible survivor(s) (note A.4.19)

Table 23 Summary of benefits for civilian members

Type of termination	Pensionable service (unless stated otherwise)	Benefit
Voluntary retirement at age 60 or over	Under 2 years	Return of contributions (note A.4.6)
	2 years or more	Immediate annuity (note A.4.8)
Compulsory retirement because of misconduct	Any period	At the discretion of the Treasury Board (note A.4.12)
Other voluntary withdrawal or retirement	Under 2 years of service in the force	Return of contributions
	2 years of service in the force to less than 35 years of service in the force	Immediate annuity if age 55 and above with at least 30 years of pensionable service. Otherwise, Choice of • deferred annuity (note A.4.9), or • transfer value if under age 50 (note A.4.10), or • annual allowance if aged at least 50 (note A.4.14)
	35 years of service in the force or more	Immediate annuity
Compulsory retirement because of disability	Under 2 years	Greater of: • return of contributions, or • cash termination allowance (note A.4.7)
	2 years or more	Immediate annuity
Death leaving no eligible survivor	Under 2 years	Return of contributions to nominated beneficiary, otherwise to estate
	2 years or more	Minimum death benefit (note A.4.17)
Death leaving eligible survivor(s) (notes A.4.15 and A.4.16)	Under 2 years	Greater of: • return of contributions, or • one month of pay per year of pensionable service
	2 years or more	Annual allowance to eligible survivor(s) (note A.4.19)

Table 24 Summary of benefits for pensioners

Type of Termination	Benefit
Disability	Immediate annuity
Death leaving no eligible survivor	Minimum death benefit (note A.4.17)
Death leaving eligible survivor(s) (notes A.4.15 and A.4.16)	Annual allowance to eligible survivor(s) (note A.4.19)

A.4 Explanatory notes

A.4.1 Pensionable earnings and pensionable payroll

Pensionable earnings mean the annual employment earnings (excluding overtime but including pensionable allowances such as bilingual bonuses) of a contributor.

Pensionable payroll means the aggregate pensionable earnings of all contributors with less than 35 years of pensionable service.

A.4.2 Indexation

A.4.2.1 Indexation adjustments

All immediate and deferred annuities (pensions and allowances) are adjusted every January to the extent warranted by the increase, as at 30 September of the previous year, in the 12-month average Consumer Price Index relative to the corresponding figure one year earlier. If the indicated adjustment is negative, annuities are not decreased for that year; however, it is carried-forward and the next positive adjustment is diminished accordingly.

A.4.2.2 First indexation adjustment

Indexation adjustments accrue from the end of the month in which employment terminates. The first annual adjustment following termination of employment is prorated accordingly.

A.4.2.3 Commencement of indexation payments

The indexation portion of a retirement, disability or survivor pension normally starts being paid when the pension is put into pay. However, regarding a regular member retirement pension, indexation payments start only when the pensioner is either

- at least 55 years old, provided the sum of age and pensionable service is at least 85 years; or
- at least 60 years old.

A.4.3 Service in the force

Service in the force includes any period as a member of the force and any period of prior service as a police officer that the member purchased under the elective service provisions or through a pension transfer agreement.

A.4.4 Pensionable service

Pensionable service includes any period of service in the force in respect of which a contributor either (1) had to make contributions that remain in the plan or (2) elected to contribute. It also includes any period of prior service with another employer in respect of which a contributor has elected to contribute in accordance with the provisions of the RCMPSPA.

A.4.5 Retirement because of age

Retirement because of age means voluntarily ceasing to be a regular member on or after reaching age 60, for a reason other than disability or misconduct. Regular members who joined the force before July 1988 may elect to retain the prescribed retirement ages (56 for ranks up to corporal, 57 for sergeants, and 58 for staff sergeants and majors) in effect at that time.

A.4.6 Return of contributions

Return of contributions means the payment of an amount equal to the accumulated current and prior service contributions paid or transferred by the contributor into the plan. Interest is credited quarterly on returned contributions in accordance with the investment return on the RCMP Pension Fund or in accordance with the interest credited on the Superannuation Account, depending on where contributions were credited.

A.4.7 Cash termination allowance

Cash termination allowance means an amount equal to one month's salary, as at the date of termination, multiplied by the number of years of pensionable service, reduced by an amount which takes into consideration the coordination of contributions under the RCMP pension plan with those under the CPP/QPP.

A.4.8 Immediate annuity

Immediate annuity means an unreduced pension that becomes payable immediately upon a pensionable retirement or pensionable disability. The annual amount is equal to 2% of the highest average annual pensionable earnings of the contributor over any period of five⁴ consecutive years, multiplied by the number of years of pensionable service not exceeding 35. For contributors with periods of part-time pensionable service, earnings used in the five-year average salary calculation are based on a full 40 hour work week and the pension benefit is prorated to take periods of part-time service into account.

When a pensioner attains age 65 or becomes entitled to a disability pension from the CPP/QPP, the annual pension amount is reduced by a percentage of the *indexed CPP annual pensionable earnings*⁵ (or, if lesser, the indexed five-year pensionable earnings average on which the immediate annuity is based), multiplied by the *years of CPP pensionable service*⁶. The applicable percentage is 0.625%.

Annuities are payable at the end of month until the month in which the pensioner dies or until the disabled pensioner recovers from disability (the last payment would then be pro-rated). Upon the death of the pensioner, either a survivor allowance (Note A.4.19) or a residual death benefit (Note A.4.18) may be payable.

A.4.9 Deferred annuity

Deferred annuity means an annuity that normally becomes payable to a former contributor who reaches age 60. The annual payment is determined as for an immediate annuity (Note A.4.8) but is also adjusted to reflect the indexation (Note A.4.2) from the date of termination to the commencement of benefit payments.

The deferred annuity becomes an immediate annuity during any period of disability beginning before age 60. If the disability ceases before age 60, the immediate annuity reverts to the original deferred annuity unless the pensioner elects an annual allowance (Notes A.4.13 and A.4.14) that is the prescribed actuarial equivalent to the deferred annuity.

A.4.10 Transfer value

Regular members and civilian members who, at their date of termination of pensionable service,

⁴ If the number of years of pensionable service is less than five, then the averaging is over the entire period of pensionable service.

⁵ *Indexed CPP annual pensionable earnings* means the average of the YMPE, as defined in the CPP, over the five calendar years leading up to and including the one in which pensionable service terminated, increased by indexation proportionate to that accrued in respect of the immediate annuity.

⁶ *Years of CPP pensionable service* mean the number of years of RCMP/PSA pensionable service after 1965 or after attaining age 18, whichever is later, but not exceeding 35.

are under age 60 and 50 respectively, and who are eligible for a deferred annuity may elect to receive the transfer value of their benefits, determined in accordance with the regulations, to

- a locked-in Registered Retirement Savings Plan of the prescribed kind; or
- another pension plan registered under the *Income Tax Act*; or
- a financial institution for the purchase of a locked-in immediate or deferred annuity of the prescribed kind.

A.4.11 Reduced immediate annuity

Reduced immediate annuity means an immediate annuity for which the annual amount of annuity determined as described in Note A.4.8 is reduced until age 65 by 5% for each full year, not exceeding six, by which the period of service in the force is less than 20 years. This type of annuity may be chosen by a regular member who has completed between 2 and 20 years of service in the force upon being compulsorily retired:

- on account of a reduction in the force, or
- to promote economy or efficiency in the force (only at the discretion of the Treasury Board).

A.4.12 Retirement because of misconduct

Upon compulsory retirement because of misconduct, a contributor is entitled to

- a return of contributions, or
- a greater benefit as specified by the Treasury Board but not exceeding that available in the absence of misconduct.

A.4.13 Annual allowance for regular members

Annual allowance means, for a regular member, an immediate annuity reduced by 5% for each full year by which

- the period of service in the force is less than 25 years, or
- the age at retirement is less than the applicable retirement age (as defined in note A.4.5), whichever is the lesser.

A.4.14 Annual allowance for civilian members

Annual allowance means, for a civilian member, an annuity payable immediately on retirement, upon attaining age 50 or upon exercising the option, whichever occurs later. The amount of the allowance is equal to the amount of the deferred annuity to which the civilian member would otherwise be entitled, reduced by 5% for each year between age 60 and the age when the allowance becomes payable. However, if the civilian member is at least 50 years old and has at least 25 years of pensionable service, the difference corresponding to the number of years between age 60 and the age at which the allowance becomes payable is then reduced by the greater of:

- 55 minus the age, and

- 30 minus the number of years of pensionable service.

The Treasury Board can waive all or part of the reduction for civilian members who are involuntarily retired at ages 55 and over with at least ten years of service in the force.

If a former civilian member entitled to an annual allowance commencing at age 50 becomes disabled before then, the entitlement changes to an immediate annuity (Note A.4.8). If disability ceases before age 60, then the entitlement changes to a deferred annuity (Note A.4.9) unless the pensioner elects an annual allowance that is the prescribed actuarial equivalent to the deferred annuity.

A.4.15 Eligible surviving spouse

Eligible surviving spouse means the surviving spouse (includes a common-law or same-sex partner recognized under the plan) of a contributor or pensioner except if:

- the contributor or pensioner died within one year of commencement of the spousal union, unless the Minister is satisfied that the health of the contributor or pensioner at the time of such commencement justified an expectation of surviving for at least one year;
- the pensioner married at age 60 or over, unless after such marriage the pensioner either:
 - became a contributor again, or
 - made an optional survivor benefit election within 12 months following marriage to accept a reduced pension so that the new spouse would be eligible for a survivor benefit. This reduction is reversed if and when the new spouse predeceases the pensioner or the spousal union is terminated for reason other than death; or
 - the pensioner is a female who retired before 20 December 1975 and did not make an optional survivor benefit election within the one-year period ending 6 May 1995.

A.4.16 Eligible surviving children

Eligible surviving children include all children of the contributor or pensioner who are under age 18, and any child of the contributor or pensioner who is age 18 or over but under 25, in full-time attendance at a school or university, having been in such attendance substantially without interruption since he or she reached age 18 or the contributor or pensioner died, whichever occurred later.

A.4.17 Minimum death benefit

If a contributor or a pensioner dies leaving no eligible survivor, the lump sum normally paid is the amount by which the greater of:

- a return of contributions; and
- five times the annual amount of the immediate annuity to which the contributor would have been entitled, or the pensioner was entitled, at the time of death,

exceeds any pension payments already received.

Indexation adjustments are excluded from these calculations.

A.4.18 Residual death benefit

The same formula described in Note A.4.17 is used to determine the residual death benefit, which is the lump sum payable upon the death of an eligible survivor but also subtracting all amounts (excluding indexation adjustments) already paid to the survivor.

A.4.19 Annual allowance for eligible survivor(s)

Annual allowance means, for the eligible surviving spouse and children of a contributor or pensioner, an annuity that becomes payable immediately upon the death of that individual. The amount of the allowance is determined with reference to a *basic allowance* equal to 1% of the highest average annual pensionable earnings of the contributor over five consecutive years, multiplied by the number of years of pensionable service not exceeding 35.

The annual allowance for an eligible surviving spouse is equal to the basic allowance unless the eligible surviving spouse became eligible as a result of an optional survivor benefit election, in which case it is equal to the percentage of the basic allowance specified by the pensioner making the election. The annual allowance for an eligible surviving child is equal to 20% of the basic allowance, subject to a reduction if there are more than four eligible surviving children in the same family. The annuity otherwise payable to an eligible surviving child is doubled if the child is an orphan.

Survivor annual allowances are not coordinated with the CPP/QPP and are payable in equal monthly instalments at the end of month until the month in which the survivor dies or otherwise loses eligibility. If applicable, a residual benefit (Note A.4.18) is payable to the estate upon the death of the last survivor.

A.4.20 Division of pension with former spouse

In accordance with the *Pension Benefits Division Act*, upon the breakdown of a spousal union (including common-law), a lump sum can be debited by court order or by mutual consent from the accounts and/or the Pension Fund, as the case may be, to the credit of the former spouse of a contributor or pensioner. The maximum transferable amount is half the value, calculated as at the transfer date, of the retirement pension accrued by the contributor or pensioner during the period of cohabitation. If the member's benefits are not vested, the maximum transferable amount corresponds to half the member's contributions made during the period subject to division, accumulated with interest at the rate applicable on a refund of contributions. The accrued benefits of the contributor or pensioner are then reduced accordingly.

Appendix B — Retirement compensation arrangement benefit provisions

Retirement compensation arrangements are arrangements for benefits in excess of the benefit limitations of registered pension plans and are less tax-advantageous as the fund must transfer a 50% refundable tax to the Canada Revenue Agency (CRA) immediately. Under the RCMP retirement compensation arrangement (RCA), a debit is made from the RCA Account such that in total roughly half the recorded balances in the account are held as a tax credit (CRA refundable tax). This Appendix describes the RCMP pension benefits financed through the retirement compensation arrangement that have a material impact on this valuation.

B.1 Annual allowance for eligible survivors

If the annual allowance for eligible survivors described in Appendix A.4.19 exceeds the tax-related limits described hereafter for registered pension plans, then the excess in respect of service from 1 January 1992 onwards is debited from the RCA Account.

B.1.1 Tax-related limits on preretirement survivor benefits

The total of all preretirement survivor pensions payable in respect of a deceased member may not exceed the member's projected lifetime retirement benefit and the amount of spouse allowance may not exceed two-thirds of the projected lifetime retirement benefit.

The member's projected lifetime retirement benefit is the greater of:

- the deceased member's accrued pension reduced by the CPP coordination offset; and
- the lesser of:
 - the member's projected retirement benefit at age 65 based on current salary history, and
 - 1.5 times the YMPE in effect during the year of the member's death.

B.1.2 Tax-related limits on post-retirement survivor benefits

The amount of the spouse allowance provided is limited in any year to a maximum of two-thirds the retirement benefit that would have been payable to the member in that year.

B.2 Excess pensionable earnings

Starting in 1995, the highest average of pensionable earnings under the RCMPSPA is subject to a prescribed yearly maximum. Because the RCMPSPA is coordinated with the pensions paid by the CPP/QPP, the prescribed maximum is derived from both the maximum annual pension benefit accrual (\$3,756.67 for calendar year 2025) payable from a registered defined benefit pension plan for each year of pensionable service and the YMPE. The maximum is \$210,200 for calendar year 2025. To the extent that a member's average earnings at retirement exceed the prescribed yearly maximum, the corresponding excess pension is debited from the RCA Account.

Appendix C — Assets, accounts and intervaluation rates of return

C.1 Assets and account balances

The government has a statutory obligation to fulfill the pension promise enacted by legislation to RCMP members. Since 1 April 2000, the government has earmarked invested assets (Pension Fund) to meet the cost of pension benefits.

With respect to the unfunded portion of the RCMP pension plan, accounts were established to track government's pension benefit obligations such as the Superannuation Account, for service prior to 1 April 2000, and the RCA Account for benefits in excess of those that can be provided under the *Income Tax Act* limits for registered pension plans.

C.1.1 RCMP Superannuation Account

RCMPSA member contributions, government costs, and benefits earned up to 31 March 2000 are tracked entirely through the RCMP Superannuation Account, which forms part of the Public Accounts of Canada.

The Superannuation Account was credited with all RCMPSA member contributions and government costs prior to 1 April 2000, as well as with prior service contributions and costs for elections made prior to 1 April 2000. It is charged with both the benefit payments made in respect of service earned under the Superannuation Account and the allocated portion of the plan administrative expenses.

The Superannuation Account is credited with interest earnings as though net cash flows were invested quarterly in 20-year Government of Canada bonds issued at prescribed interest rates and held to maturity. No formal debt instrument is issued to the Superannuation Account by the government in recognition of the amounts therein. Interest is credited every three months on the basis of the average yield for the same period on the combined Superannuation Accounts of the Public Service, Canadian Forces and RCMP pension plans.

Table 25 shows the reconciliation of balances in the Superannuation Account.

Table 25 Reconciliation of balances in Superannuation Account (in \$ millions) ^a				
Plan year	2022	2023	2024	2022 to 2024
Opening balance as at 1 April of the previous year	13,353	13,052	13,921	13,353
Income				
Interest earnings	435	404	420	1,259
Employer contributions	0	0	0	0
Member contributions	1	1	0	2
Transfers from other pension plans	0	0	0	0
Actuarial liability adjustments	0	1,220	0	1,220
Income subtotal	436	1,625	420	2,481
Expenditures				
Annuities	726	745	780	2,251
Pension divisions	6	7	6	19
Return of contributions and cash allowances	0	0	0	0
Pension transfer value payments	0	0	0	0
Transfers to other pension plans	0	0	0	0
Minimum benefits	0	0	0	0
Administrative expenses	5	4	3	12
Expenditures subtotal	737	756	789	2,282
Closing balance as at 31 March of the plan year	13,052	13,921	13,552	13,552

a. Numbers may not add up due to rounding.

Since the last valuation, the Superannuation Account balance has increased by \$199 million (a 1.5% increase) to reach \$13,552 million as at 31 March 2024.

C.1.2 RCMP Pension Fund

The Pension Fund is invested in the financial markets with a view to achieving maximum rates of return without undue risk, having regard to the funding, policies and requirements of the RCMP pension plan.

The Pension Fund has been credited with all RCMPSPA contributions since 1 April 2000, as well as with prior service contributions in respect of elections made since that date and leave without pay contributions for periods after that date. The Pension Fund is also credited with the net investment returns generated by the capital assets managed by the Public Sector Pension Investment Board (PSP Investments). It is debited with both the benefit payments made in respect of service earned and prior service elections made since 1 April 2000 and the allocated portion of the plan administrative expenses.

Table 26 shows the reconciliation of balances in the Pension Fund.

Table 26 Reconciliation of balances in Pension Fund (in \$ millions) ^a				
Plan year	2022	2023	2024	2022 to 2024
Opening balance as at 1 April of the previous year	14,681	16,635	17,551	14,681
Income				
Gross investment earnings	1,687	873	1,456	4,016
Employer contributions	405	328	327	1,060
Member contributions	328	267	270	865
Transfers from other pension plans	10	11	17	38
Actuarial liability adjustments	0	0	0	0
Income subtotal	2,430	1,479	2,070	5,979
Expenditures				
Annuities	301	346	396	1,043
Pension divisions	17	16	12	45
Return of contributions and cash allowances	2	0	0	2
Pension transfer value payments	60	45	18	123
Transfers to other pension plans	13	13	3	29
Minimum benefits	0	0	0	0
Administrative expenses	5	6	7	18
PSP Investment expenses	78	137	177	392
Expenditures subtotal	476	563	613	1,652
Closing balance as at 31 March of the plan year	16,635	17,551	19,008	19,008

a. Numbers may not add up due to rounding.

Since the last valuation, the Pension Fund balance has increased by \$4,327 million (a 29.5% increase) to reach \$19,008 million as at 31 March 2024.

C.1.3 RCA

The amount in the RCA is composed of the recorded balance in the Retirement Compensation Arrangement Account (RCA Account), which forms part of the Public Accounts of Canada, and a tax credit (CRA refundable tax). Each calendar year, a debit/credit is made from the RCA Account such that in total roughly half the total amount of the RCA is held as a tax credit (CRA refundable tax).

No formal debt instrument is issued to the RCA by the government in recognition of the amounts therein. Interest earnings are credited to the RCA Account every three months on the basis of the average yield for the same period on the combined Superannuation Accounts of the Public Service, Canadian Forces and RCMP pension plans.

Table 27 shows the reconciliation of balances in the RCA Account.

Table 27 Reconciliation of balances in RCA Account (in \$ millions)				
Plan year	2022	2023	2024	2022 to 2024
Opening balance of RCA Account as at 1 April of	36	35	36	36
Income				
Interest earnings	1	1	1	3
Employer contributions	0	2	1	3
Member contributions	0	1	0	1
Transfers from other pension plans	0	0	0	0
Income subtotal	1	4	2	7
Expenditures				
Annuities	2	2	2	6
Amount transfer to CRA	0	1	0	1
Expenditures subtotal	2	3	2	7
Closing balance of RCA Account as at 31 March of	35	36	36	36
CRA refundable tax	35	36	36	36

As of 31 March 2024, the RCA Account balance remained also unchanged since the last valuation, holding steady at \$36 million. The CRA refundable tax credit remained constant at \$36 million over the same period.

C.1.4 Interest earnings/rates of return

The interest earnings in respect of the Superannuation Account were calculated using the entries in Table 25, which are based on book values since the notional bonds are deemed to be held to maturity. The interest earnings were computed using the dollar-weighted approach and assumes that cash flows occur in the middle of the plan year (except for actuarial liability adjustments, if any, which occur on 31 March). The Pension Fund nominal rates of return are from the Public Sector Pension Investment Board (PSP Investments) Annual Reports. Table 28 shows these rates.

Table 28 Interest earnings/Nominal rates of return		
Plan year	Superannuation Account	Pension Fund ^a
2022	3.4%	10.9%
2023	3.2%	4.4%
2024	3.1%	7.2%

a. Net of all expenses.

C.2 Sources of asset and accounts data

The RCMP Superannuation Account, RCMP Pension Fund, RCA Account and refundable tax account entries shown in C.1 above were taken from the Public Accounts of Canada and the financial statements of the PSP Investments.

Appendix D — Membership data

D.1 Sources and validation of membership data

The individual data in respect of contributors, pensioners, and eligible survivors were provided as at 31 March 2024. The data are extracted from master computer files maintained by the Public Services and Procurement Canada (PSPC). PSPC also provided a listing of pension benefits paid in March 2024 for each pensioner and eligible survivor.

For validation and comparison purposes, individual salaries as at 31 March 2024 were provided by the RCMP Pension Accounting Unit for each active contributor as at that date.

Various tests of internal consistency, as well as tests of consistency with the data used in the previous valuation, with respect to membership reconciliation, basic information (date of birth, date of hire, date of termination, sex, etc.), pensionable service, salary levels and pensions to retirees and survivors were performed.

We assumed that members with unknown gender were 50% male and 50% female.

Based on the omissions and discrepancies identified by these tests, and after consulting with PSPC and the RCMP, appropriate adjustments were made to the membership data.

D.2 Summary of membership data

A summary of the valuation data as at 31 March 2024 and the reconciliation of contributors, pensioners, and survivors from 31 March 2021 to at 31 March 2024 are shown in this section. Relevant detailed statistics on contributors, pensioners and survivors are shown in Appendix L.

Table 29 Summary of membership data

Group of members	Statistic	As at 31 March 2024	As at 31 March 2021
Contributors	Number	21,531	22,269
	Average pensionable earnings ^a	\$125,700	\$110,200
	Average age	42.9	42.2
	Average pensionable service ^b	14.5	13.9
Retirement pensioners in pay	Number	15,399	15,311
	Average annual pension in pay	\$58,800	\$51,300
	Average age	71.2	69.8
Deferred pensioners	Number	630	515
	Average annual deferred pension	\$16,100	\$14,000
	Average age	44.4	44.2
Disability pensioners	Number	4,997	3,841
	Average annual pension	\$46,200	\$40,100
	Average age	59.2	59.0
Eligible surviving spouse	Number	3,400	3,003
	Average annual pension	\$27,900	\$23,200
	Average age	76.3	74.8
Eligible surviving children	Number	149	134
	Average annual pension	\$3,700	\$3,200

a. Pensionable earnings as defined in Appendix A.4.1. Includes all assumed economic increases at 1 April 2024.

b. Pensionable service as defined in Appendix A.4.4.

Table 30 Reconciliation of membership

Status	Contributors	Retirement pensioners in pay	Deferred pensioners	Disability pensioners	Surviving spouses	Surviving children
As at 31 March 2021	22,269	15,311	515	3,841	3,003	134
Data corrections	(4)	(42)	(1)	43	13	20
New members	2,308	0	0	0	0	0
Rehired pensioners	10	(3)	(7)	0	0	0
Withdrawal ROC or TV	(430)	0	(2)	0	0	0
Withdrawal pending	(87)	0	(46)	0	0	0
Deferred annuities	(210)	0	210	0	0	0
Pensionable disabilities	(1,227)	0	0	1,227	0	0
Pensionable retirements	(1,055)	1,094	(39)	0	0	0
Emerging survivors	0	0	0	0	705	63
Deaths with survivors	(41)	(617)	0	(64)	0	0
Deaths with no survivors	(2)	(344)	0	(50)	(321)	0
Termination of benefits	0	0	0	0	0	(68)
As at 31 March 2024	21,531	15,399	630	4,997	3,400	149

Table 31 Reconciliation of contributors

Group Gender	Regular members		Civilian members		Total
	Male	Female	Male	Female	
As at 31 March 2021	15,000	4,175	1,533	1,561	22,269
Data corrections	3	8	(11)	(4)	(4)
New members	1,849	456	2	1	2,308
Rehired pensioners	8	2	0	0	10
Withdrawal ROC or TV	(324)	(57)	(22)	(27)	(430)
Withdrawal pending	(67)	(11)	(5)	(4)	(87)
Deferred annuities	(117)	(26)	(33)	(34)	(210)
Pensionable disabilities	(800)	(307)	(32)	(88)	(1,227)
Pensionable retirements	(686)	(178)	(107)	(84)	(1,055)
Deaths with survivors	(30)	(4)	(5)	(2)	(41)
Deaths with no survivors	(1)	0	0	(1)	(2)
As at 31 March 2024	14,835	4,058	1,320	1,318	21,531

Table 32 Reconciliation of retirement pensioners in pay

Group Gender	Former regular members		Former civilian members		Total
	Male	Female	Male	Female	
As at 31 March 2021	12,820	816	944	731	15,311
Data corrections	(35)	(4)	(1)	(2)	(42)
Rehired pensioners	(2)	(1)	0	0	(3)
New pensioners	690	181	120	103	1,094
Deaths with survivors	(570)	(6)	(33)	(8)	(617)
Deaths with no survivors	(285)	(7)	(28)	(24)	(344)
As at 31 March 2024	12,618	979	1,002	800	15,399

Table 33 Reconciliation of disability pensioners

Group Gender	Former regular members		Former civilian members		Total
	Male	Female	Male	Female	
As at 31 March 2021	2,461	791	162	427	3,841
Data corrections	37	4	1	1	43
Rehired pensioners	0	0	0	0	0
New pensioners	800	307	32	88	1,227
Deaths with survivors	(48)	(4)	(9)	(3)	(64)
Deaths with no survivors	(33)	(3)	(5)	(9)	(50)
As at 31 March 2024	3,217	1,095	181	504	4,997

Table 34 Reconciliation of deferred pensioners

Group Gender	Former regular members		Former civilian members		Total
	Male	Female	Male	Female	
As at 31 March 2021	208	63	99	145	515
Data corrections	(3)	0	0	2	(1)
Rehired pensioners	(6)	(1)	0	0	(7)
Withdrawal ROC or TV	(1)	0	(1)	0	(2)
Withdrawal pending	(27)	(4)	(5)	(10)	(46)
Deferred annuities	117	26	33	34	210
Pensionable disabilities	0	0	0	0	0
New pensioners	(4)	(3)	(13)	(19)	(39)
Deaths with survivors	0	0	0	0	0
Deaths with no survivors	0	0	0	0	0
As at 31 March 2024	284	81	113	152	630

Appendix E — RCMPSPA valuation methodology

E.1 Pension assets and accounts

E.1.1 RCMP Superannuation Account (service prior to 1 April 2000)

The balance of the Superannuation Account forms part of the Public Accounts of Canada. The underlying notional bond portfolio described in Appendix C is shown at book value.

The only other Superannuation Account-related amount consists of the discounted value of future member contributions and government costs in respect of prior service elections⁷. The discounted value of future member contributions was calculated using the projected Account yields. The government cost is assumed to be equal to these future contributions.

E.1.2 RCMP Pension Fund (service since 1 April 2000)

For valuation purposes, an adjusted market value method is used to determine the actuarial value of assets in respect of the Pension Fund. The method is unchanged from the previous valuation.

Under the adjusted market value method, the difference between the observed investment returns during a given plan year and the expected investment returns for that year based on the previous report assumptions, is recognized over five years at the rate of 20% per year. The actuarial value is then determined by applying a 10% corridor, such that the actuarial value of assets is within 10% of the market value of assets. The value produced by this method is related to the market value of the assets but is more stable than the market value.

The other Pension Fund-related assets consist of the discounted value of future member and government contributions in respect of prior service elections and receivable contributions of \$44 million for the retroactive salary increase of 4% at 1 April 2023 and \$2,500 lump sum payment received in September 2024. The discounted value of future member contributions was calculated using the assumed rates of return on the Pension Fund. The government is assumed to contribute in the same proportion as for the RCMPSPA current service cost.

The actuarial value of the assets, determined as at 31 March 2024, under the adjusted market value method is \$18,463 million and was determined as shown in Table 35.

⁷ As described in A.2.2.2.

Table 35 Actuarial value of Pension Fund assets
(in \$ millions)^a

Plan year	2020	2021	2022	2023	2024	Total
Actual net investment return (A)	(76)	2,273	1,609	736	1,279	n/a
Expected investment return (B)	624	653	965	1,070	1,005	n/a
Investment gains (losses) (C = A - B)	(700)	1,620	644	(334)	274	n/a
Unrecognized percentage (D)	0%	20%	40%	60%	80%	n/a
Unrecognized investment gains (losses) (C x D)	0	324	258	(200)	219	600
Market value as at 31 March 2024						19,008
Less						
Total Unrecognized investment gains (losses)						600
Actuarial value as at 31 March 2024 (before application of corridor)						18,408
Impact of application of corridor ^b						0
Actuarial value as at 31 March 2024 (after application of corridor)						18,408
Plus						
Receivable contributions						44
Present value of prior service contributions						11
Actuarial value as at 31 March 2024						18,463

a. Numbers may not add up due to rounding.

b. The corridor is 90% to 110% of market value, that is from \$17,107 million to \$20,909 million.

E.2 Actuarial cost method

As benefits earned in respect of current service will not be payable for many years, the purpose of an actuarial cost method is to assign costs over the working lifetime of the members.

As in the previous valuations, the projected accrued benefit actuarial cost method (also known as the projected unit credit method) was used to determine the current service cost and actuarial liability. Consistent with this cost method, pensionable earnings are projected up to retirement using the assumed annual increases in pensionable earnings (including seniority and promotional increases). The yearly maximum salary cap and other benefit limits under the *Income Tax Act* described in Appendix B were taken into account to determine the benefits payable under the RCMPSPA and those payable under the RCA.

E.2.1 Current service cost and member contribution rates

Under the projected accrued benefit actuarial cost method, the current service cost, also called the normal cost, computed in respect of a given year is the sum of the value, discounted in accordance with the actuarial assumptions for the Pension Fund, of all future payable benefits considered to accrue in respect of that year of service. The Pension Fund administrative expenses are also included in the total current service cost.

Under this method, the current service cost for an individual member will increase each year as the member approaches retirement. However, all other things being equal, the current service cost for the total population, expressed as a percentage of total pensionable payroll, can be expected to remain stable as long as the average age, service and gender distribution of the total

population remain constant.

For a given year, the government current service cost is the total current service cost reduced by the members' contributions during the year. Future members' contribution rates are assumed to be equal to the contribution rates of Group 1 contributors under the PS pension plan; they are estimates only and subject to change. More information on the methodology used to determine the rates assumed under the PS pension plan can be found in the Actuarial Report on the pension plan for the Public Service of Canada as at 31 March 2023.

E.2.2 Actuarial liability

The actuarial liability with respect to contributors corresponds to the value, discounted in accordance with the actuarial assumptions, of all future payable benefits accrued as at the valuation date in respect of all previous service. For pensioners and survivors, the actuarial liability corresponds to the value, discounted in accordance with the actuarial assumptions, of future payable benefits.

Amounts paid from 1 April 2024 onward for terminations that occurred prior to that date were estimated from actual payments made using information provided in the valuation data at 31 March 2024. For this valuation, a total of \$12 million was added to the liability for the Pension Fund.

E.2.3 Government contributions

The recommended government contribution corresponds to the sum of:

- the government current service cost;
- the government contributions for prior service; and
- as applicable, special credits/payments in respect of a shortfall/deficit or as the case may be, debits when an actuarial surplus exists.

Appendix F — RCMPA economic assumptions

As per the Funding Policy, all economic assumptions used in this report are best-estimate assumptions. They reflect our best judgement of the future long-term experience of the plan and do not include margins.

F.1 Inflation-related assumptions

F.1.1 Level of inflation

Price increases, as measured by changes in the Consumer Price Index (CPI), tend to fluctuate from year to year. In 2021, the Bank of Canada and the Government renewed their commitment to keep inflation between 1% and 3% with a target at the mid-point of 2% until the end of 2026⁸. Based on economic data and forecasts as of January 2025, the assumed rates of increase for the CPI are shown in Table 36.

Table 36 Rates of CPI increase
(in percentage)

Plan year	Increase
2025	2.2 (actual)
2026	2.2
2027	2.1
2028 and above	2.0

These rates assume the Bank of Canada remains committed to meeting the mid-range 2% target. The ultimate rate of 2.0% in fiscal year 2028 is unchanged from the assumed ultimate rate in the previous valuation.

F.1.2 Increase in pension amounts

The assumption related to increases in pension amounts is required to account for indexation of pensions every January 1st. It is derived by applying the indexation formula described in Appendix A, which relates to the assumed CPI increases over successive 12-month periods ending on September 30th. Table 46 shows the pension indexation increase for plan year 2025 and thereafter.

F.2 Employment earnings increases

F.2.1 Increase in the Year's Maximum Pensionable Earnings (YMPE)

Since the benefit payable under the plan when a pensioner attains age 65⁹ is calculated based on the YMPE, an assumption for the increase in the YMPE is required. The assumed rate of increase in the YMPE is the sum of the real wage increase and the rate of increase for the CPI.

The real wage increase assumption is developed by considering historical trends as well as the future conditions of the labour markets and the economic growth in Canada. The real wage increase is assumed to be constant at 0.8%, which decreased by 0.1% from the previous

⁸ <https://www.bankofcanada.ca/2021/12/joint-statement-of-the-government-of-canada-and-the-bank-of-canada-on-the-renewal-of-the-monetary-policy-framework/>

⁹ Or becomes entitled to a disability pension from the CPP or the QPP.

valuation. Table 37 shows the rates of increase for the YMPE.

Table 37 Rates of YMPE increase
(in percentage)

Plan year	Increase ^a
2025	4.1 (actual)
2026	3.0
2027	2.9
2028 and above	2.8

a. Assumed to be effective as at 1 January.

The YMPE for 2025 is \$71,300, which increased by 4.1% compared to that of 2024 (\$68,500). Subsequent increases in the YMPE are assumed to be lower.

F.2.2 Economic increase in pensionable earnings

Pensionable earnings are projected to calculate the pension liability and service cost. The increase in pensionable earnings has two components:

- the economic increase, and
- the seniority and promotional increase.

It is assumed that the economic increase in pensionable earnings is separate from the seniority and promotional increase which is accounted for in the demographic assumptions. Table 38 shows the assumed rates of increase in pensionable earnings.

Table 38 Rates of pensionable earnings increase
(in percentage)

Plan year	Regular members	Civilian members
2025	4.0 (actual)	2.3
2026	4.0	2.0
2027	3.3	2.6
2028 and above	2.5	2.5

For regular members, the rate increase for plan year 2025 aligns with that outlined in the approved collective agreement. Future increases are projected to gradually converge to the ultimate rate by 2028. For plan year 2026, the rate increase is in line with other negotiated settlements in the public service. The assumed ultimate annual increase in pensionable earnings is 0.5% above the ultimate CPI, which is 0.1% lower than the assumption used in the previous valuation.

F.2.3 Increase in Maximum Pensionable Earnings (MPE)

The maximum annual pension accrual will increase from \$3,610.00 in 2024 to \$3,756.67 in 2025, in accordance with *Income Tax Regulations*. It is assumed that the maximum annual pension accrual will rise in line with the projected annual increase in the YMPE.

The tax-related maximum pensionable earnings were derived from both the maximum annual pension accrual under a registered defined benefit plan and the YMPE. The MPE is equal to

\$210,200 for calendar year 2025.

F.3 Investment-related assumptions

F.3.1 New money rate

The new money rate is the nominal yield on 10-year-plus Government of Canada bonds and is set for each year in the projection period. The real yield on 10-year-plus federal bonds is equal to the new money rate less the assumed rate of inflation.

Based on historical data and forecasts from various sources, the real yield on 10-year-plus Canadian federal bonds for fiscal year 2025 is assumed to be 1.1% (3.3% nominal) and to gradually increase to its ultimate rate of 2.0% (4.0% nominal) in fiscal year 2037. The ultimate rate is unchanged from the previous valuation.

F.3.2 Projected yields on Superannuation Account

The projected yields on the Superannuation Account are required for the computation of present values of benefits to determine the liability for service prior to 1 April 2000. The projected yields on the Superannuation Account were determined by an iterative process involving the following:

- the combined notional bond portfolio of the three Superannuation Accounts as at the valuation date;
- the assumed future new money rates;
- the expected future benefits payable in respect of all pension entitlements accrued up to 31 March 2000;
- the expected future contributions for prior service elections made up to 31 March 2000; and
- the expected future administrative expenses.

Each quarterly interest credit to the Superannuation Account is calculated as if the principal at the beginning of a quarter remains unchanged during the quarter. The projected yield on the Account is 3.0% in plan year 2025. It is projected to reach a low of 2.6% in 2032 and gradually rise to reach its ultimate rate of 4.0% in 2046.

F.3.3 Rate of return on the Pension Fund

The expected annual nominal rates of return on the Pension Fund are required for the computation of present values of benefits to determine the liability for service since 1 April 2000 and the current service cost. The Pension Fund is managed by PSP Investments. The following sections describe how the rates of return on the Pension Fund are determined.

F.3.3.1 Investment strategy and asset mix

For the purpose of this report and in line with the PSP Investments' investment policy, the investments have been grouped into the following four broad asset classes:

- Fixed income securities, comprised of federal, provincial, emerging market bonds, and

inflation-linked bonds;

- Credit, comprised of private debt, non-investment grade public debt, and quasi-debt instruments;
- Equities, comprised of public market equities (Canadian and foreign), and private equities; and
- Real assets comprised of real estate, infrastructure and natural resources

The long-term target mix, also known as the Policy Portfolio, is developed by PSP Investments. The Policy Portfolio is reviewed and approved annually by PSP Investments' Board of Directors. Table 39 shows the Policy Portfolio and the Pension Fund's asset mix as of 31 March 2024.

Table 39 Asset mix (in percentage)		
Asset class	Policy portfolio ^a	As at 31 March 2024
Fixed-income securities	21	24 ^b
Credit	11	11 ^c
Public market equities	25	21
Private equities	12	15
Real assets	31	29

a. Approved in November 2024. The Policy Portfolio is reviewed annually.
b. Included 3% cash.
c. Included 0.9% in Complementary Portfolio

It is assumed that the initial asset mix will gradually converge towards the Policy Portfolio and that the ultimate asset mix will be reached in plan year 2027. Table 40 shows the convergence towards the long-term target Policy Portfolio.

Table 40 Asset mix by fiscal year (in percentage)						
Plan year	Fixed income securities	Cash	Public equity	Private equity	Real assets	Credit
2025	22	3	21	15	29	10
2026	21	2	23	14	30	10
2027 and above	20	1	25	12	31	11

F.3.3.2 Rates of return by asset class

Rates of return are determined for each asset class in which the Pension Fund assets are invested. Except for fixed income securities and cash, the rates of return are assumed to remain constant for the entire projection period. The expected progression of fixed income securities' rates of return reflects the context of rising yields. Given that it is difficult to predict annual market returns, a constant rate of return is assumed for asset classes with greater volatility.

The long-term rates of return were developed by looking at historical returns (expressed in Canadian dollars); these returns were then adjusted upward or downward to reflect future expectations. Given the long projection period, future gains and losses due to currency variations

are expected to offset each other over time. Hence, it was assumed that currency variations will not have an impact on the long-term rates of return.

An overall allowance for rebalancing and diversification has also been added to the rate of return on the total assets. It is achieved through the rebalancing of the portfolio and aims at keeping the asset mix constant.

All rates of return described in this section are shown before reduction for assumed investment expenses; subsection F.3.3.3 describes how the returns are adjusted for investment expenses.

Cash

The real yield on cash is assumed to be 0.7% for plan year 2025 with an expectation to decline for the next two years to 0.5% for plan year 2026, 0.4% for plan year 2027 and increase to the ultimate yield of 0.5% in plan year 2028.

Fixed income securities

As at 31 March 2024, the fixed-income portfolio has 22% federal bonds, 19% provincial bonds, 23% emerging markets (EM) bonds and 36% inflation-linked bonds¹⁰. The ultimate mix is 22% federal bonds, 18% provincial bonds, 25% EM bonds and 35% inflation-linked bonds, which is expected to be reached in plan year 2026.

Since the current PSP Investments' Policy Portfolio and its long-term target Policy Portfolio are composed of bonds with different maturities (long, mid and short-term), it is assumed that the fixed income portfolio is composed of universe bonds for the entire projection period. The ultimate universe bonds spread over cash is assumed to be 83 basis points, while the ultimate long bond spread over cash is assumed to be 150 basis points.

Credit quality is another important factor affecting bond spreads. Provincial bonds offer the lowest risk premium, reflecting their stability. Inflation-linked bonds show moderate compensation due to their inflation protection nature. Emerging markets debt commands the highest spread, indicating elevated risk, return and currency expectations. Table 41 shows the spreads among various bonds over federal long-term bonds.

Table 41 Bond spreads over Federal long-term bonds
(in basis points)

Bond type	Initial spread (plan year 2025)	Ultimate spread (plan year 2037)
Universe provincial bonds	46	24
Emerging markets debts	233	169
Inflation-linked bonds	100	(20)

Equity

Real rates of return on equity investments are determined by factors such as income return, expected earnings growth, and long-term risk premiums related to size, geography and private markets. Several elements also contribute to the return on an equity investment including

¹⁰ Mostly invested in US Treasury Inflation-Protected Securities (TIPS)

earnings, dividends paid to shareholders, valuation fluctuations, and exchange rate movements for non-Canadian investments.

Public equities are composed of developed market equities, developed market small capitalization equities (small caps), and emerging market equities.

Over time, change in valuation and currency are not expected to have an impact on broad equity market returns. Thus, dividend yields and earnings growth only are used to estimate future returns, with adjustments for small-cap, emerging market, and private market risks.

Developed market equities are expected to yield a 3.1% income return, with 0.9% added from per capita GDP growth assumption, which approximates earnings growth, totaling a real return of 4.0%. Small caps are then projected to add 0.2% due to higher risk, while the emerging markets premium is 1.0%.

The overall real return on public equities, based on PSP Investments' relative allocation to developed market, small caps and emerging market equities, is projected to be 4.3%.

The expected real return on private equities is expected to be 1.1% higher than the return on developed-market equities, reflecting the additional risk associated with investments in private markets. Developed-market equities are assumed to have a long-term real return of 4.0%, therefore, the projected real rate of return for private equity is 5.1%.

Real assets

The expected real return on real assets is calculated as a weighted average of the returns from real estate, infrastructure, and natural resources. Real estate and infrastructure returns are each composed of an income component - 3.1% and 3.0%, respectively - and a growth component of 0.9%, which is proxied by per capita GDP growth. Due to limited historical data, the real return on natural resources is assumed to equal the average of the real estate and infrastructure returns. As a result, the overall projected real return on real assets is assumed to be 3.9% throughout the projection period.

Credit

The expected real rate of return on credit investments is calculated as the weighted average of returns from U.S. and European investment-grade bonds (18%), and high-yield bonds (82%). The return assumptions for investment-grade bonds and high-yield bonds are 130 and 254 basis points respectively above the yield on Canadian federal universe bonds. Based on these assumptions, the assumed real return on credit investments is estimated at 3.6% throughout the projection period.

Summary of real rate of return by asset class

Table 42 summarizes the assumed real rates of return by asset class throughout the projection period, prior to reduction for investment expenses.

Table 42 Real rate of return by asset class
(in percentage)

Plan year	Fixed-income securities	Public equity	Private equity	Credit	Real assets	Cash
2025	1.5	4.3	5.1	3.6	3.9	0.7
2026	1.9	4.3	5.1	3.6	3.9	0.5
2027	2.1	4.3	5.1	3.6	3.9	0.4
2028	2.2	4.3	5.1	3.6	3.9	0.5
2029	2.2	4.3	5.1	3.6	3.9	0.5
2030	2.2	4.3	5.1	3.6	3.9	0.5
2031	2.2	4.3	5.1	3.6	3.9	0.5
2032	2.2	4.3	5.1	3.6	3.9	0.5
2033	2.2	4.3	5.1	3.6	3.9	0.5
2034	2.2	4.3	5.1	3.6	3.9	0.5
2035	2.3	4.3	5.1	3.6	3.9	0.5
2036	2.3	4.3	5.1	3.6	3.9	0.5
2037 and above	2.2	4.3	5.1	3.6	3.9	0.5

F.3.3.3 Investment expenses

Over the last three plan years, PSP Investments' operating and asset management expenses averaged 0.7% of average net assets. It is assumed that, going forward, investment expenses will continue to average 0.7% of average net assets. The majority of these expenses have been incurred through active management decisions.

The objective of active management is to generate returns in excess of those from the Policy Portfolio, net of additional expenses. Therefore, the additional returns from a successful active management program should at least offset the costs incurred to pursue it. For the purpose of this valuation and in accordance with guidance from the Canadian Institute of Actuaries, it is assumed that additional returns generated by active management will equal the additional expenses incurred. These expenses are assumed to be the difference between total investment expenses of 0.7% and the assumed expenses of 0.2% that would be incurred under a passive management approach.

The next section shows the overall rate of return on the fund net of investment expenses.

F.3.3.4 Overall rate of return on assets of the Pension Fund

The best-estimate ultimate rate of return on total assets is derived from the weighted average of the assumed rates of return across asset classes. This rate of return is further adjusted upward to reflect additional returns from active management, as well as allowances for rebalancing and diversification. It is then reduced by both active and passive investment expenses to arrive at the net expected return.

Table 43 shows how the ultimate nominal and real rates of return are developed.

Table 43 Overall rate of return on assets of the pension fund (in percentage)		
Component of the rate of return	Nominal	Real
Weighted average rate of return	5.7	3.7
Additional returns due to active management	0.5	0.5
Allowance for rebalancing and diversification	0.5	0.5
Expected investment expenses		
Additional expenses due to active management	(0.5)	(0.5)
Expenses due to passive management	(0.2)	(0.2)
Total expected investment expenses	(0.7)	(0.7)
Ultimate net rate of return	6.0	4.0

Table 44 shows the resulting nominal and real rates of return for each projection year.

Table 44 Rates of return on assets in respect of the Pension Fund (in percentage)		
Plan year	Nominal	Real
2025	5.8	3.5
2026	5.9	3.7
2027	6.0	3.9
2028 and above	6.0	4.0
2025 to 2029 (5 years)	5.9	3.8
2025 to 2034 (10 years)	6.0	3.9
2025 to 2044 (20 years)	6.0	4.0

It is assumed that the ultimate real rate of return on investments will reach 4.0% in 2028, net of all investment expenses. This represents an increase of 0.1% from the previous valuation. The average real rate of return over the first ten years corresponds to 6.0%, which is 0.2% higher than that of the corresponding period in the previous valuation. The real rate of return on assets reflects both the assumed asset mix as well as the assumed real rate of return for each asset category. The nominal return is the sum of the inflation rate and the real return.

Using the nominal rates of return on assets shown in previous table is equivalent to using a flat nominal discount rate of 6.0% for the purpose of calculating the liability as at 31 March 2024, for service since 1 April 2000. In the previous valuation, the flat equivalent nominal discount rate was 5.9%.

F.3.4 Transfer value real interest rate

Interest rates for transfer values are determined in accordance with the Standards of Practice published by the Canadian Institute of Actuaries (CIA). The CIA issued amendments to the standards for determining the interest rates used for the computation of transfer value which became effective on 1 February 2022.

Details can be found in the Section 3540 of the CIA Standards of Practice.

Table 45 shows the assumed transfer value real interest rates used in this report:

Table 45 Transfer value real interest rates
(in percentage)

Plan year	r_L	i_L	i_7	r_7	Real interest rates	
					First 10 years	After 10 years
2025 ^a	1.6	3.4	3.4	1.6	2.2	2.8
2026	1.7	3.5	3.5	1.7	2.5	3.0
2027	1.8	3.6	3.5	1.7	2.5	3.1
2028	1.9	3.7	3.6	1.7	2.6	3.1
2029	2.0	3.8	3.6	1.7	2.5	3.2
2030	2.0	3.9	3.6	1.7	2.6	3.3
2031	2.0	3.9	3.6	1.7	2.5	3.3
2032	2.0	3.9	3.6	1.7	2.5	3.4
2033	2.1	4.0	3.5	1.6	2.5	3.4
2034	2.1	4.0	3.5	1.6	2.5	3.5
2035	2.1	4.0	3.5	1.6	2.5	3.5
2036	2.1	4.0	3.5	1.5	2.5	3.5
2037 and above	2.1	4.1	3.4	1.5	2.4	3.5

a. Monthly real interest rates for plan year 2025 are available. As such, both short-term and long-term real interest rates for plan year 2025 are the average of the respective 12-month actual rates.

F.3.4.1 Administrative expenses

PSP Investments' operating expenses are implicitly recognized through a reduction in the real return on the Pension Fund. The same approach was used in the previous valuation.

The administrative expense assumption was increased by 0.05% and corresponds to 0.50% of total pensionable payroll. For plan year 2025, 51% of total administrative expenses are being charged to the Superannuation Account; it is assumed that the proportion charged to the Superannuation Account will reduce at the rate of 1.1% per year. Expenses expected to be debited to the Superannuation Account in the future have been capitalized and are shown as a liability on the balance sheet, whereas the expenses to the Pension Fund are shown on an annual basis as they occur.



F.3.5 Summary of economic assumptions

Table 46 summarizes the economic assumptions used in this report.

Table 46 Economic assumptions
(in percentage)

Plan year	Inflation		Employment earning increases			Interest		
	CPI increase ^a	Pension indexation ^b	YMPE increase ^b	Pensionable earnings increase ^c	Maximum pensionable earnings increase ^{b,d}	New money rate	Projected yield on Account	Projected return on Fund
2025 ^e	2.2	2.7	4.1	4.0/2.3	4.1	3.4	3.0	5.8
2026	2.2	2.3	3.0	4.0/2.0	3.0	3.5	3.0	5.9
2027	2.1	2.1	2.9	3.3/2.6	2.9	3.6	2.9	6.0
2028	2.0	2.0	2.8	2.5	2.8	3.7	2.8	6.0
2029	2.0	2.0	2.8	2.5	2.8	3.8	2.8	6.0
2030	2.0	2.0	2.8	2.5	2.8	3.9	2.7	6.0
2031	2.0	2.0	2.8	2.5	2.8	3.9	2.7	6.0
2032	2.0	2.0	2.8	2.5	2.8	3.9	2.6	6.0
2033	2.0	2.0	2.8	2.5	2.8	3.9	2.6	6.0
2034	2.0	2.0	2.8	2.5	2.8	3.9	2.7	6.0
2035	2.0	2.0	2.8	2.5	2.8	4.0	2.7	6.0
2040	2.0	2.0	2.8	2.5	2.8	4.0	3.2	6.0
2045	2.0	2.0	2.8	2.5	2.8	4.0	3.9	6.0
2046 and above	2.0	2.0	2.8	2.5	2.8	4.0	4.0	6.0

a. Assumed to be effective during Plan Year.

b. Assumed to be effective as at 1 January.

c. Assumed to be effective as at 1 April. Exclusive of seniority and promotional increases, for regular members and civilian members respectively.

d. Calendar year 2025 Maximum Pensionable Earnings is \$210,200.

e. Figures for plan year 2025 for inflation and employment earning increase assumptions (in bold), are actual figures.

Appendix G — RCMPSA demographic assumptions

As per the Funding Policy, all demographic assumptions used in this report are best-estimate assumptions. That is, they reflect our best judgment of future experience, informed by the plan's historical data—where deemed credible—and by discussions with RCMP management regarding recent trends in retirement and disability incidence. These assumptions do not include margins.

Years of service refer, for regular members, to their years of service in the force while they represent years of pensionable service for civilian members.

Members age and service are determined by rounding their exact value to the nearest integer at the beginning of the plan year.

G.1 Seniority and promotional salary increases

Seniority means length of service within a classification, and promotion means moving to a higher paid classification.

The assumption was developed by giving equal credibility to the plan's experience over the last three plan years and the assumption from the previous valuation.

For regular members, plan experience indicates that salary increases vary across years of service. Higher increases are typically observed at years 4, 7, 10, 15, 20, 25, and 30. These patterns are consistent with the pay structure outlined in the collective agreement.

Table 47 shows a sample of assumed seniority and promotional salary increases by years of service for both regular members and civilian members.

Table 47 Sample of assumed seniority and promotional salary increases
(as a percentage of annual earnings)

Years of service	Regular members	Civilian members
0	41.0 ^a	4.6
1	7.8	4.3
2	6.6	3.7
5	0.6	1.9
7	2.7	1.4
10	1.6	1.2
13	0.6	0.9
15	1.7	1.0
17	0.9	0.8
20	1.9	0.9
23	0.8	0.7
25	1.7	0.7
27	0.9	0.5
30	1.6	0.2
36 and above	0.7	0.4

a. The 41% increase applicable in the first year reflects the negotiated salary increases for Constables after 6 and 12 months of service.

G.2 New contributors

As the active population of the plan is expected to grow, new contributors are projected to replace members that cease to be active as well as increase the number of contributors over time.

The percentage increases in the number of contributors for each plan year reflects assumed growth rates, as shown in Table 48. It is assumed that no new civilian members will be joining the plan in the future.

Table 48 Assumed annual percentage increases in the number of contributors – Regular members

Plan year	Percentage
2025 to 2027	1.1
2028	1.0
2029	0.9
2030 and after	0.8

It is assumed that the distribution of new members by age, gender, service, and salary level (adjusted by the economic increases) will, on average, be the same as that of members with less than one year of service in each of the three years preceding the valuation date.

G.3 Pensionable retirement

Pensionable retirement means ceasing to be an active member and immediately starting to receive an annuity (immediate annuity or an annual allowance) for reasons other than disability.

The assumed rates of pensionable retirement were revised to reflect the intervaluation experience, assigning 75% credibility to the plan's experience over the last three plan years and 25% credibility to the experience from the three plan years preceding the previous valuation.

The intervaluation experience shows a marked increase in the incidence of disability retirement among regular members. As a result, retirement rates for reasons other than disability have generally been reduced. The age at which a 100% retirement rate is assumed has been increased to 69, compared to age 65 in the previous valuation.

Table 49 and Table 50 show a sample of the assumed rates of pensionable retirement.

Table 49 Sample of assumed rates of pensionable retirement – Regular members
(per 1,000 individuals)

Age	Years of service in the force						
	19	20	25	30	35	40	45 and above
44 and below	0	0	0	0	0	0	0
45	0	4	40	0	0	0	0
50	0	5	70	100	0	0	0
55	0	35	200	130	600	0	0
60	150	100	150	250	350	200	0
65	150	150	200	200	200	200	1,000
69	1,000	1,000	1,000	1,000	1,000	1,000	1,000

Table 50 Sample of assumed rates of pensionable retirement – Civilian members
(per 1,000 individuals)

Age	Years of pensionable service								38 and above
	2	5	10	15	20	25	30	35	
50	3	3	3	3	5	10	30	0	0
55	10	10	10	10	10	10	250	300	1,000
60	100	100	100	100	150	250	300	500	1,000
65	200	200	200	200	200	200	200	500	1,000
69	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

G.4 Disability retirement

The disability incidence rates for regular members were revised to reflect the intervaluation experience, assigning 75% credibility to the plan's experience over the last three plan years and 25% to the experience from the three plan years preceding the previous valuation.

The intervaluation experience shows a marked increase in the incidence of disability retirement amongst regular members.

The disability retirement rates for male civilian members were determined using a blend of 25% of the disability rates for male regular members from this report and 75% of the disability rates from the most recent Actuarial Report on the pension plan for the Public Service of Canada as at 31 March 2023. For female civilian members, the rates were based on an equal blend—50% from each of the same two sources.

Based on experience since 2019, it is assumed that 20% of future new disability pensioners will receive a CPP/QPP disability pension. In the previous valuation, this proportion was assumed to be 30%.

Table 51 shows a sample of assumed rates of pensionable disability for both regular members and civilian members.

Table 51 Sample of assumed rates of pensionable disability
(per 1,000 individuals)

Age	Regular members		Civilian members	
	Male	Female	Male	Female
30	2.50	2.50	0.80	1.50
40	9.00	14.00	2.80	8.00
45	18.00	28.00	5.50	15.50
50	24.00	46.00	7.00	25.00
55	49.00	77.00	14.00	41.50
60	70.00	125.00	40.00	65.50
64	100.00	110.00	20.00	58.00
65 and above	0.00	0.00	0.00	0.00

Both deferred pensioners and pensioners receiving an annual allowance while under age 60 are assumed to have a 0% disability incidence rate. Furthermore, no recoveries are assumed for

disability pensioners.

G.5 Withdrawal

Withdrawal with less than two years of service includes termination of employment for any reason.

Withdrawal with two or more years of service means termination of employment for reasons other than death, disability or retirement with an immediate annuity or an annual allowance.

The withdrawal rate assumption was revised to reflect the intervaluation experience, by giving 75% credibility to the plan's experience over the last three plan years and 25% credibility to the plan's experience over the three plan years prior to the previous valuation. Table 52 shows a sample of assumed withdrawal rates for both regular members and civilian members.

Table 52 Sample of assumed withdrawal rates
(per 1,000 individuals)

Years of service	Regular members	Civilian members
0	10.0	40.0
1	30.0	40.0
5	18.0	40.0
10	7.0	19.0
15	7.0	19.0
19	10.0	19.0
20 to 24	2.0	19.0
25 and above	0.0	0.0

G.6 Proportion of terminating contributor opting for a deferred annuity

Based on the experience from the intervaluation period, the proportion of terminating regular members with 2 to 15 years of service who elect a deferred annuity has been revised to 25%. For regular members terminating with more than 15 years of service, it is now assumed that 100% will opt for the transfer value of the deferred annuity¹¹. In the previous valuation, it was assumed that 25% of all regular members with more than 2 years of service elected a deferred annuity, and that no members elected the transfer value upon reaching 20 years of service. The proportion of civilian members terminating with at least 2 years of service who elect a deferred annuity remains unchanged at 45%.

¹¹ For regular members with 20 to 25 years of service, it is assumed that they transfer to another pension plan through a pension transfer agreement

G.7 Mortality

G.7.1 Mortality rates

The mortality rates for non-disabled regular members were derived from the Actuarial Report on the pension plan for the Public Service of Canada as at 31 March 2023 (PSSA23)¹². The rates in PSSA23 were adjusted by applying an adjustment factor of 96% on the rates between ages 25 and 91 years old. The adjustment factor was determined using the plan's experience for plan years 2016 to 2024 inclusively. No adjustment factor was applied at younger and older ages due to low credibility.

In the previous valuation, mortality rates for non-disabled regular male members for ages up to 85 were derived from plan experience while mortality rates for ages beyond were those for the general population taken from the 30th Actuarial Report on the Canada Pension Plan (CPP30).

In the previous valuation, mortality rates for non-disabled regular female members were based on the combined (public and private) 2014 Canadian Pensioners Mortality Table (CPM2014) published by the Canadian Institute of Actuaries, projected with CPM Improvement Scale B (CPM-B) to the valuation date.

Mortality rates for non-disabled civilian members and surviving spouses are assumed to be the same as those used in PSSA23.

Table 53 shows a sample of the mortality rates for non-disabled members and surviving spouses.

Table 53 Sample of assumed rates of mortality
for plan year 2025 (per 1,000 individuals)

Age	Regular members		Civilian members		Surviving Spouses	
	Male	Female	Male	Female	Male	Female
30	0.2	0.2	0.3	0.2	0.3	0.2
40	0.5	0.3	0.5	0.3	0.5	0.3
50	1.1	0.9	1.2	1.0	1.2	1.0
60	3.4	2.4	3.6	2.5	6.2	4.4
70	10.6	8.8	11.0	9.2	17.5	12.8
80	35.6	26.5	37.1	27.6	53.9	35.5
90	132.3	106.7	137.8	111.1	157.6	111.3
100	357.6	327.5	357.6	327.5	356.0	301.4
110	500.0	500.0	500.0	500.0	500.0	500.0

The mortality rates of disabled regular members were determined as a blend¹³ of 80% of the mortality rates for non-disabled regular members and 20% of the mortality rates for disabled pensioners assumed in the PSSA23 report. These rates were all applied in sex-distinct manner, as in the previous valuation.

¹² More information on the basis to develop the mortality rates for the PS pension plan can be found in the Actuarial Report on the pension plan for the Public Service of Canada as at 31 March 2023.

¹³ This blend was 75/25 in the previous valuation.

Mortality rates for disabled civilian members are the same as those used for disabled members in the PSSA23 report.

Table 54 shows a sample of the mortality rates for disabled members.

Age	Regular members		Civilian members	
	Male	Female	Male	Female
30	1.3	0.8	5.5	3.2
40	2.1	1.2	8.5	4.9
50	3.0	2.2	10.5	7.5
60	6.6	4.2	19.1	11.5
70	15.3	11.7	34.1	23.1
80	43.7	32.1	76.1	54.2
90	142.6	115.9	183.7	152.7
100	369.7	348.4	418.1	431.9
110	500.0	500.0	500.0	500.0

G.7.2 Mortality improvement rates

Mortality rates are reduced in the future using the same methodology as the 31st Actuarial Report on the Canada Pension Plan (CPP31). The ultimate mortality improvement rates were determined considering expert judgment, historical long-term trends, potential future drivers and consideration from other benchmarks such as the MI-CAN-2024 published by the Canadian Institute of Actuaries in their Mortality Improvements Research¹⁴ paper published in April 2024.

Table 55 shows a sample of the assumed mortality improvement rates. An analysis of the sensitivity of financial results to variations of this assumption is provided in Appendix J.2.

¹⁴ <https://www.cia-ica.ca/publications/224043e/>

Table 55 Sample of assumed mortality improvement rates
(applicable at the beginning of the plan year)

Age	Initial and ultimate plan year mortality improvement rates (as a percentage)			
	Male at plan year 2026	Male at plan year 2040 and after ^a	Female at plan year 2026	Female at plan year 2040 and after ^a
30	0.39	1.00	0.28	1.00
40	0.67	1.00	0.85	1.00
50	1.34	1.00	1.27	1.00
60	1.72	1.00	1.53	1.00
70	1.64	1.00	1.28	1.00
80	1.50	1.00	1.06	1.00
90	1.36	0.76	1.28	0.76
100	0.51	0.33	0.62	0.33
110 and above	0.00	0.00	0.00	0.00

a. The ultimate rate of 1% applies to ages 87 and below and decreases starting at age 88 until reaching 0% at age 110.

G.7.3 Cohort life expectancy

Table 56 and Table 57 present the cohort life expectancy for regular and civilian non-disabled members, respectively, based on the mortality assumptions, including mortality improvement rates, as described in this section.

Table 56 Cohort life expectancy of contributors and non-disabled pensioners - Regular members
(in years)

Age	As at 31 March 2024		As at 31 March 2040	
	Male	Female	Male	Female
60	27.7	29.4	28.8	30.5
65	22.9	24.5	24.0	25.5
70	18.4	19.9	19.4	20.8
75	14.1	15.6	15.0	16.4
80	10.3	11.6	11.1	12.3
85	7.1	8.1	7.7	8.7
90	4.6	5.4	5.0	5.8

Table 57 Cohort life expectancy of contributors and non-disabled pensioners - Civilian members
(in years)

Age	As at 31 March 2024		As at 31 March 2040	
	Male	Female	Male	Female
60	27.4	29.1	28.6	30.2
65	22.7	24.2	23.7	25.3
70	18.1	19.6	19.1	20.6
75	13.9	15.4	14.8	16.2
80	10.1	11.4	10.9	12.2
85	6.9	8.0	7.6	8.6
90	4.5	5.3	5.0	5.7

G.8 Family composition

G.8.1 Eligible spouse at the time of death

Upon the death of a member, the surviving spouse and children may be eligible to receive an annual allowance for eligible survivors (Appendix A.4.15).

Based on a review on the plan's experience for the past 10 years, it was decided to maintain the assumptions regarding spouse survivors from the previous valuation.

Table 58 shows the assumptions for survivor spouse allowances for both male and female members. Survivor pensions are not payable if the deceased member has less than two years of pensionable service.

Table 58 Sample of assumed proportion of eligible spouse at death of member

Age	Male	Female
30	0.70	0.70
40	0.85	0.85
50	0.85	0.85
60	0.80	0.55
70	0.80	0.40
80	0.68	0.29
90	0.48	0.06
100	0.20	0.00

For the purpose of the valuation, no future pension benefits divisions were assumed.

G.8.2 Gender difference

The sex of each eligible surviving spouse is assumed to be the opposite of the deceased member's.

G.8.3 Spouse age difference at time of death

The surviving spouse of a male member (widow) is assumed to be 3 years younger, while the surviving spouse of a female member (widower) is assumed to be 2 years older. The same assumptions were used in the previous valuation.

G.8.4 Eligible children at the time of death

It is assumed that deceased members will not have any eligible child survivors.

G.8.5 Children ceasing to be eligible for a survivor allowance

For actual eligible children as of the valuation date (see Appendix A.4.16), Table 59 presents the rates at which children cease to be eligible for a survivor allowance.

Table 59 Assumed rates of children ceasing to be eligible for a survivor allowance
(per 1,000 individuals)

Child age	All children
Before 18	0
18 to 24	300
25 and above	1000

Appendix H — RCA valuation methodology and assumptions

H.1 Account balance

The amount in the RCA is composed of the recorded balance in the RCA Account, which forms part of the Public Accounts of Canada, and a tax credit (CRA refundable tax).

Interest is credited every three months on the RCA Account in accordance with the actual average yield on a book value basis for the same period on the combined Superannuation Accounts of the Public Service, Canadian Forces – Regular Force and Royal Canadian Mounted Police pension plans. The actuarial value of the account is equal to the book value.

H.2 Actuarial liability

Described in this appendix are the liability valuation methodologies used and any differences in economic assumptions from those used in the RCMPSA valuation.

H.2.1 RCA post-retirement survivor benefits

The limit on the amount of spousal annual allowance that can be provided under the RCMPSA decreases at the same time the member's pension is reduced due to the CPP coordination offset, which usually occurs at age 65.

This benefit was valued by assuming the plan limit is always reduced by the CPP coordination offset independent of age. The liability overstatement is minor because the probability of the former contributor dying prior to age 65 is small. The projected accrued benefit cost method was used to estimate the liability and current service cost for this RCA benefit.

H.2.2 Excess pensionable earnings

The projected accrued benefit cost method (described in detail in Appendix E.2) was used to estimate the liability and current service cost for retirement benefits in excess of the Maximum Pensionable Earnings.

H.2.3 Administrative expenses

To compute the liability and current service cost, no provision was made regarding the expenses incurred for the administration of the RCA since these expenses are not debited from the RCA Account.

H.3 Actuarial assumptions

The valuation economic assumptions are those described in Appendix F and shown in Table 46 without any modifications. This is the same approach used in the last valuation.

The demographic assumptions for the RCA valuation are the same as those used for the RCMPSA valuation as described in Appendix G.

H.4 Valuation data

Pension benefits in payment to be debited from the RCA were provided as at 31 March 2024. Details on the RCA valuation data for current pensioners are shown in Appendix L.

Appendix I — RCMP pension plan projections

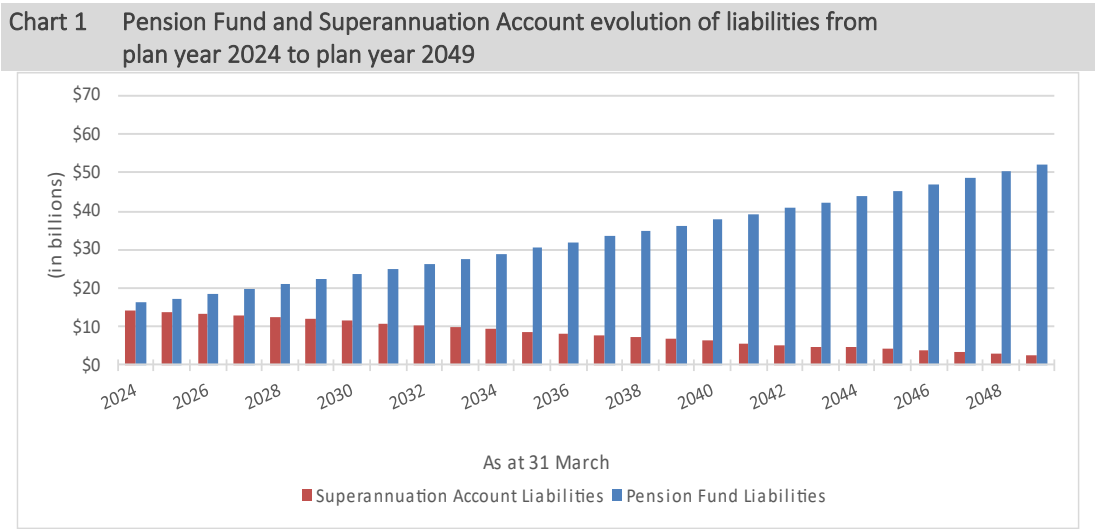
The results of the following projections were computed using the data described in Appendices D and L, the methodology described in Appendix E and the assumptions described in Appendices F and G.

I.1 Projection of the Superannuation Account and the Pension Fund liabilities

Prior to 1 April 2000, the RCMPSPA Superannuation Account tracked all government pension benefit obligations related to the RCMPSPA. The Superannuation Account is now debited only with benefit payments made in respect of service earned before that date and administrative expenses; it is credited with prior service contributions related to elections made prior to 1 April 2000 and interest earnings.

Starting 1 April 2000, the RCMPSPA is financed through the Pension Fund. The Pension Fund is credited with employer and member contributions as well as investment earnings and prior service contributions for elections made since 1 April 2000. The Pension Fund is debited with benefit payments made in respect of service earned since that date and administrative expenses.

Chart 1 presents the evolution over time of the Superannuation Account liabilities for service prior to 1 April 2000 and the Pension Fund liabilities for service after 31 March 2000.

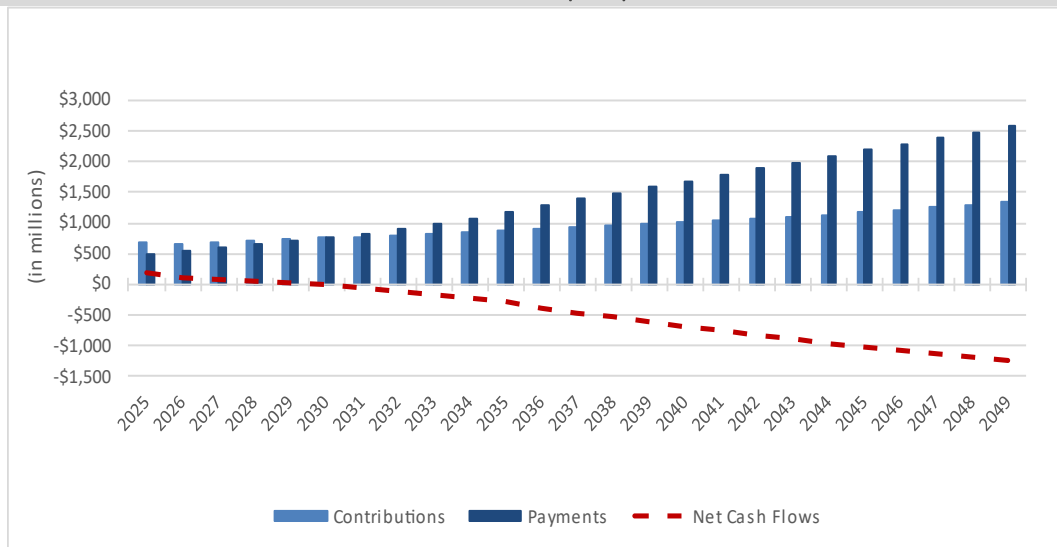


I.2 Evolution of cashflows under the Pension Fund

Contributions that are higher than payouts ensure that the Pension Fund has sufficient liquidity to cover all the payouts in a year. However, as the population of the Pension Fund matures, the amount of payouts will increase and will eventually exceed the contributions. This will result in negative cash flows to the Pension Fund.

Chart 2 shows the Pension Fund is expected to have negative cash flows starting in plan year 2030, at which point a portion of the assets will be required to pay benefits. Although negative cash flows will begin in the plan year 2030, the Pension Fund's overall assets are expected to grow for the entire duration of the projection presented below when investment income is taken into consideration.

Chart 2 Pension Fund evolution of cashflows from plan year 2025 to 2049



Appendix J — Assessing and illustrating downside risks

This appendix presents the impacts on the liability, the funded status and the service costs of the Plan due to downside risks caused by potential adverse scenarios. These scenarios are:

- the yield of the 10-year-plus Government of Canada bonds decreases by 1% for the Account and the return of the fixed income investments decreases by 1% for the Fund, and
- the future mortality improvement is higher than expected.

J.1 Decrease in yield for the Account and return for the Fund

Consistent with the Canadian Institute of Actuaries' Educational Note *Guidance on Selection and Disclosure of Plausible Adverse Scenarios*, the interest rate risk is illustrated by stress-testing the fixed income investments only.

For the Superannuation Account, all assets are tracked using the 10-year-plus Government of Canada bonds, therefore all assets are considered fixed income investments. The interest rate risk is measured by lowering by 1% the best estimate yields of future 10-year-plus Government of Canada bonds. Consequently, the new money rate is reduced by 1% for all years, which gradually affects the yield on the account—fully reflecting the 1% reduction after 20 years.

For the Fund, the fixed income investments are the fixed income securities and the credit assets. Based on the Fund asset mix, a decrease of 1% in the return of the fixed income investments results in a decrease of 0.3% in the return of the Fund. The resulting liability, the funded status and the service costs, where applicable, for the Account and the Fund are shown in Table 60.

The interest rate risk stress test results in the actuarial liability increasing by \$544 million for the Account and by \$902 million for the Fund relative to the best estimate. The Account's actuarial shortfall increases while the Fund's funded status remains in surplus. The Fund's service cost for plan year 2026 increased by \$53 million, which is a 8.1% increase from the best-estimate.

Table 60 Sensitivity of financial results to interest rate risk

Scenario	As at 31 March 2024			Plan year 2026
	Actuarial value of assets (in \$ millions)	Actuarial liabilities (in \$ millions)	Funded ratio (as a percentage)	Total current service cost (in \$ millions)
Account: Baseline	13,557	14,125	n/a	n/a
Account: 1% decrease in future Government of Canada 10-year-plus yields	13,557	14,669	n/a	n/a
Effect of the variation on the account	0	544	n/a	n/a
Fund: Baseline	18,463	16,211	113.9	655
Fund: 1% decrease in future Government of Canada 10-year-plus yields	18,463	17,113	107.9	708
Effect of the variation on the fund	0	902	(6.0)	53

J.2 Future mortality improvement higher than expected

This valuation assumes that the current mortality rates applicable to the members of RCMP will improve over time in line with the mortality improvement assumption. The improvement rates are assumed to reach the ultimate rates in plan year 2040. However, if the improvement rates were underestimated, the future mortality would be lower than expected which in turn poses downside risk to the funded status of the Plan.

Table 61 and Table 62 measure the effect on the life expectancy when mortality is assumed to improve at a faster pace than under the best-estimate scenario with the ultimate mortality improvement rates being doubled compared to their best-estimate values. The cohort life expectancy of a member aged 65 in 2024, and for a member aged 65 in 2040 are presented in the table below.

Table 61 Sensitivity of cohort life expectancy to variations in mortality improvement rates - Regular members

Mortality improvement rates	Age 65 life expectancy as at March 31, 2024		Age 65 life expectancy as at March 31, 2040	
	Male	Female	Male	Female
Current basis	22.9	24.5	24.0	25.5
Ultimate improvement rates are doubled	23.7	25.3	25.8	27.2
Effect of the variation	0.8	0.8	1.8	1.7

Table 62 Sensitivity of cohort life expectancy to variations in mortality improvement rates - Civilian members

Mortality improvement rates	Age 65 life expectancy as at March 31, 2024		Age 65 life expectancy as at March 31, 2040	
	Male	Female	Male	Female
Current basis	22.7	24.2	23.7	25.3
Ultimate improvement rates are doubled	23.4	25.0	25.5	27.0
Effect of the variation	0.7	0.8	1.8	1.7

Table 63 presents the impacts on the liability, the funded status, and the service costs of the Plan if the ultimate improvement rates were to be doubled compared to their best-estimate value. The best-estimate mortality improvement rate assumption is described in Table 55 of Appendix G.

Table 63 Sensitivity of financial results to variations in mortality improvement rates

Scenario	As at 31 March 2024			Plan year 2026
	Actuarial value of assets (in \$ millions)	Actuarial liabilities (in \$ millions)	Funded ratio (as a percentage)	Total current service cost (in \$ millions)
Account: Baseline	13,557	14,125	n/a	n/a
Account: Ultimate improvement rates doubled	13,557	14,426	n/a	n/a
Effect of the variation on the account	0	301	n/a	n/a
Fund: Baseline	18,463	16,211	113.9	655
Fund: Ultimate improvement rates doubled	18,463	16,551	111.6	672
Effect of the variation on the fund	0	340	(2.3)	17

Appendix K — Uncertainty of future investment returns

K.1 Introduction

The projected financial status of the plan depends on many demographic and economic factors, including new contributors, average earnings, inflation, level of interest rates and investment returns. The projected long-term financial status of the plan is based on best-estimate assumptions. The objective of this section is to present a range of outcomes resulting from various alternative investment returns scenarios. In this appendix, any references to assets, liabilities, surplus/(deficit), annual special payments and service cost are related to the Pension Fund.

Section K.2 illustrates how investment experience may affect the funding status of the Pension Fund over time. The impact of financial market tail events on the financial status of the Pension Fund is explored in section K.3, where a severe one-time financial shock is applied to the PSP Investments' portfolio with the purpose of quantifying the impact on the funding ratio over the short-term horizon.

K.2 Range of potential funded ratios due to investment volatility and inflation modelling

Chart 3 illustrates a range of funded ratios (actuarial value of assets over actuarial liabilities) that could be expected under the best-estimate portfolio. It takes into account that an actuarial valuation would occur every three years starting in 2024, that deficits are covered by additional government contributions, and that legislation under section 29.4 (1) of the RCMPSA is applied in case of non-permitted surplus (surplus in excess of 25% of liabilities).

As shown in Chart 3, the median expected funded ratio is relatively flat over the projection period (119% to 122%) and the range of potential outcomes widens with time.

Chart 3 Pension Fund – Range of potential funded ratio for the best-estimate portfolio from plan year 2024 to plan year 2045

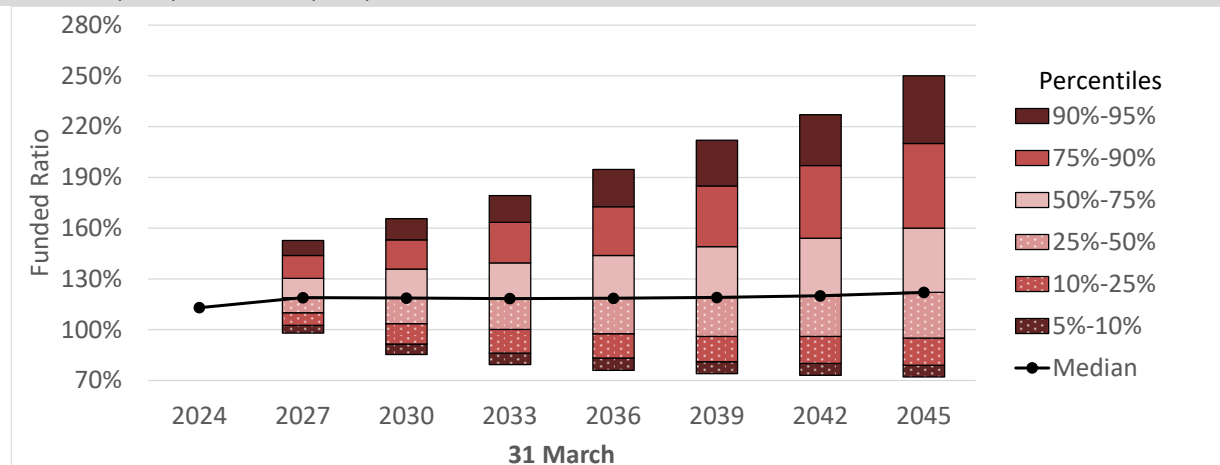
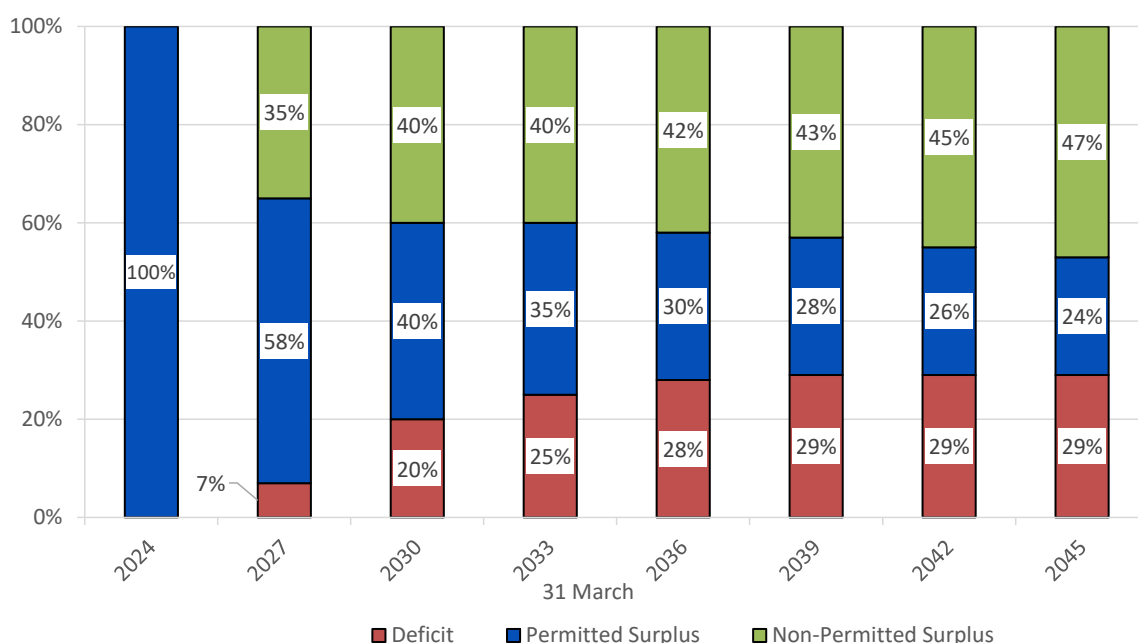


Chart 4 illustrates the probabilities associated with three possible funded statuses over the next 20 years: deficit, surplus less than 25% of liabilities, and non-permitted surplus.

Chart 4 Pension Fund – Likelihood of deficit, permitted and non-permitted surplus due to investment volatility and inflation modelling from plan year 2024 to 2045



K.3 Financial market tail events

This section focuses on the inherent volatility in the PSP Investments' portfolio and the extreme outcomes that could result. During plan year 2009, the nominal return on Plan assets was negative 22.7% due to the economic slowdown. Such an event could be characterized as low probability (also referred to as a "tail event"). However, when these events do occur, the impact on the funding ratio may be significant. This section analyzes the impacts that tail-event returns would have on the Plan's funded ratio and the projected surplus/(deficit) as at 31 March 2027 (the expected date of the next actuarial review).

To illustrate this, returns other than the best-estimate are assumed to occur in plan year 2025 followed by the best-estimate returns for plan years 2026 and 2027.

Two percentiles were selected to analyze: 10th and 2nd percentiles. The left tail event is the occurrence of a nominal return such that the probability of earning that return or less is equal to 10% (or 2%). The right tail event is the occurrence of a nominal return such that the probability of earning that return or more is equal to 10% (or 2%).

Extreme events occurring during the intervaluation period can result in the plan either requiring a special payment when there is a severe economic downturn or exceeding the non-permitted surplus threshold when market conditions are extremely favorable. Table 64 shows the impact on the financial position on the Pension Fund of such potential isolated tail-events. The table also shows that the impact of an isolated tail-event is dampened over time when investment

conditions revert to the best-estimate scenario. Furthermore, the use of the actuarial value of assets mitigates the funding risk caused by extreme returns.

Table 64 Financial positions at tail-events of best-estimate portfolio as at 31 March 2027

	Nominal return (as a percentage)		As at 31 March 2027				
	Plan year 2025	Average 2025 to 2027	Funded ratio	(\$ millions)			Annual special payment
				Actuarial value of assets	Acturial Liability	Surplus / (Deficit)	
Current basis	5.8%	5.9%	116%	22,683	19,630	3,053	0
Left tail event at the 2nd percentile	(14.7%)	(1.4%)	101%	19,853	19,630	223	0
Left tail event at the 10th percentile	(7.7%)	1.2%	106%	20,820	19,630	1,190	0
Right tail event at the 10th percentile	20.3%	10.5%	126%	24,677	19,630	5,047	0
Right tail event at the 2nd percentile	30.4%	13.5%	133%	26,073	19,630	6,443	0

Appendix L — Detailed membership data

In this appendix, the 'Age' and 'Service' nomenclature refers to completed years calculated at the beginning of the plan year.

Table 65 Male regular member contributors

Member count and average annual pensionable earnings per age and years of service^{a,b} as at 31 March 2024

Age	Statistic	Completed years of service in the force ^c								All years of service
		0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 and above	
Up to 24	Count	245	1	0	0	0	0	0	0	246
	Earnings	\$91,250	*	\$0	\$0	\$0	\$0	\$0	\$0	*
25 to 29	Count	881	303	1	0	0	0	0	0	1,185
	Earnings	\$103,852	\$117,974	*	\$0	\$0	\$0	\$0	\$0	*
30 to 34	Count	863	1,102	144	5	0	0	0	0	2,114
	Earnings	\$108,569	\$119,332	\$127,506	\$129,018	\$0	\$0	\$0	\$0	\$115,518
35 to 39	Count	425	826	767	593	0	0	0	0	2,611
	Earnings	\$109,090	\$120,049	\$127,552	\$132,885	\$0	\$0	\$0	\$0	\$123,384
40 to 44	Count	201	396	543	1,407	253	0	0	0	2,800
	Earnings	\$108,951	\$119,988	\$127,720	\$133,909	\$144,430	\$0	\$0	\$0	\$129,899
45 to 49	Count	99	183	338	973	839	70	0	0	2,502
	Earnings	\$110,496	\$119,326	\$126,852	\$133,229	\$145,487	\$154,575	\$0	\$0	\$135,159
50 to 54	Count	43	85	194	584	665	374	85	0	2,030
	Earnings	\$122,306	\$120,598	\$125,488	\$132,021	\$142,669	\$156,241	\$168,298	\$0	\$140,182
55 to 59	Count	22	31	68	211	226	174	237	33	1,002
	Earnings	\$132,572	\$133,303	\$126,492	\$131,421	\$140,823	\$153,676	\$167,668	\$177,108	\$147,233
60 and above	Count	3	8	23	42	43	40	87	99	345
	Earnings	\$138,569	\$119,812	\$123,450	\$128,147	\$136,691	\$144,989	\$152,281	\$160,588	\$146,144
All ages	Count	2,782	2,935	2,078	3,815	2,026	658	409	132	14,835
	Earnings	\$106,160	*	*	\$133,080	\$143,723	\$154,702	\$164,526	\$164,718	\$128,116

a. Certain values are obscured by an asterisk to protect the confidentiality of plan members.

b. Pensionable earnings as defined in Appendix A.4.1. Includes all assumed economic increases at 1 April 2024.

c. Service in the force as defined in Appendix A.4.3.

Table 66 Male regular member contributors - Summary

Statistic	As at March 31, 2024	As at March 31, 2021
Average age	42.4 years	41.8 years
Average service in the force ^a	13.7 years	13.3 years
Average pensionable service ^b	14.0 years	13.6 years
Annualized pensionable payroll ^c	\$1,878.9 million	\$1,681.4 million

a. Service in the force as defined in Appendix A.4.3.

b. Pensionable service as defined in Appendix A.4.4.

c. Pensionable payroll as defined in Appendix A.4.1. Includes all assumed economic increases at 1 April 2024.

Table 67 Female regular member contributorsMember count and average annual pensionable earnings per age and years of service^{a,b} as at 31 March 2024

Age	Statistic	Completed years of service in the force ^c								All years of service
		0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 and above	
Up to 24	Count	59	0	0	0	0	0	0	0	59
	Earnings	\$90,425	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$90,425
25 to 29	Count	259	100	0	0	0	0	0	0	359
	Earnings	\$105,026	\$117,887	\$0	\$0	\$0	\$0	\$0	\$0	\$108,608
30 to 34	Count	243	379	59	0	0	0	0	0	681
	Earnings	\$109,193	\$119,170	\$125,119	\$0	\$0	\$0	\$0	\$0	\$116,125
35 to 39	Count	106	220	249	143	0	0	0	0	718
	Earnings	\$108,382	\$119,468	\$126,368	\$130,564	\$0	\$0	\$0	\$0	\$122,434
40 to 44	Count	67	85	136	422	104	0	0	0	814
	Earnings	\$110,059	\$120,141	\$126,178	\$132,786	\$141,710	\$0	\$0	\$0	\$129,631
45 to 49	Count	22	47	83	233	282	52	0	0	719
	Earnings	\$109,164	\$118,537	\$126,089	\$132,639	\$141,400	\$155,107	\$0	\$0	\$135,304
50 to 54	Count	7	16	45	98	148	147	28	0	489
	Earnings	\$111,733	\$119,088	\$125,766	\$131,758	\$139,940	\$154,310	\$173,758	\$0	\$142,166
55 to 59	Count	2	6	11	33	44	40	41	6	183
	Earnings	\$123,816	\$120,172	\$123,698	\$130,814	\$139,198	\$149,211	\$164,202	\$177,030	\$144,994
60 and above	Count	0	1	3	4	5	0	7	16	36
	Earnings	\$0	*	*	\$128,918	\$138,846	\$0	\$144,190	\$171,816	\$153,157
All ages	Count	765	854	586	933	583	239	76	22	4,058
	Earnings	\$106,359	*	*	\$132,214	\$140,897	\$153,630	\$165,880	\$173,238	\$127,078

a. Certain values are obscured by an asterisk to protect the confidentiality of plan members.

b. Pensionable earnings as defined in Appendix A.4.1. Includes all assumed economic increases at 1 April 2024.

c. Service in the force as defined in Appendix A.4.3.

Table 68 Female regular member contributors - Summary

Statistic	As at March 31, 2024	As at March 31, 2021
Average age	41.3 years	40.6 years
Average service in the force ^a	13.5 years	13.1 years
Average pensionable service ^b	13.7 years	13.4 years
Annualized pensionable payroll ^c	\$511.9 million	\$465.4 million

a. Service in the force as defined in Appendix A.4.3.

b. Pensionable service as defined in Appendix A.4.4.

c. Pensionable payroll as defined in Appendix A.4.1. Includes all assumed economic increases at 1 April 2024.

Table 69 Male civilian member contributors

Member count and average annual pensionable earnings per age and years of service^a as at 31 March 2024

Age	Statistic	Completed years of pensionable service ^b							All years of service
		Up to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 and above	
Up to 34	Count	29	9	0	0	0	0	0	38
	Earnings	\$103,946	\$99,454	\$0	\$0	\$0	\$0	\$0	\$102,882
35 to 39	Count	21	58	34	0	0	0	0	113
	Earnings	\$108,455	\$108,395	\$115,374	\$0	\$0	\$0	\$0	\$110,506
40 to 44	Count	25	59	146	61	0	0	0	291
	Earnings	\$102,249	\$111,939	\$116,049	\$118,866	\$0	\$0	\$0	\$114,621
45 to 49	Count	15	41	108	121	17	0	0	302
	Earnings	\$101,730	\$107,826	\$112,105	\$120,359	\$133,286	\$0	\$0	\$115,508
50 to 54	Count	17	36	66	88	58	14	0	279
	Earnings	\$103,640	\$112,797	\$113,638	\$116,289	\$124,166	\$150,263	\$0	\$117,783
55 to 59	Count	6	19	43	43	39	22	9	181
	Earnings	\$100,320	\$105,436	\$111,874	\$116,964	\$118,906	\$121,202	\$118,054	\$114,981
60 and above	Count	4	14	29	31	18	17	3	116
	Earnings	\$101,281	\$102,416	\$108,262	\$114,485	\$118,984	\$122,940	\$95,301	\$112,459
All ages	Count	117	236	426	344	132	53	12	1,320
	Earnings	\$103,787	\$108,920	\$113,670	\$118,099	\$123,080	\$129,436	\$112,366	\$114,661

a. Pensionable earnings as defined in Appendix A.4.1. Includes all assumed economic increases at 1 April 2024.

b. Pensionable service as defined in Appendix A.4.4.

Table 70 Male civilian member contributors - Summary

Statistic	As at March 31, 2024	As at March 31, 2021
Average age	49.1 years	47.1 years
Average pensionable service ^a	18.8 years	16.3 years
Annualized pensionable payroll ^b	\$150.0 million	\$148.9 million

a. Pensionable service as defined in Appendix A.4.4.

b. Pensionable payroll as defined in Appendix A.4.1. Includes all assumed economic increases at 1 April 2024.

Table 71 Female civilian member contributors

Member count and average annual pensionable earnings per age and years of service^{a,b} as at 31 March 2024

Age	Statistic	Completed years of pensionable service ^c							All years of service
		Up to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 and above	
Up to 34	Count	24	8	1	0	0	0	0	33
	Earnings	\$92,325	\$88,029	*	\$0	\$0	\$0	\$0	*
35 to 39	Count	49	87	46	0	0	0	0	182
	Earnings	\$96,103	\$100,402	\$103,919	\$0	\$0	\$0	\$0	\$100,134
40 to 44	Count	23	78	174	37	0	0	0	312
	Earnings	\$92,176	\$99,154	\$108,235	\$111,881	\$0	\$0	\$0	\$105,213
45 to 49	Count	19	38	111	126	21	0	0	315
	Earnings	\$92,038	\$95,046	\$106,197	\$115,405	\$123,144	\$0	\$0	\$108,811
50 to 54	Count	12	29	68	90	40	14	1	254
	Earnings	\$94,890	\$95,504	\$101,506	\$112,825	\$117,167	\$107,331	*	*
55 to 59	Count	9	15	53	39	27	19	1	163
	Earnings	\$85,913	\$102,559	\$99,590	\$103,697	\$114,596	\$110,143	*	*
60 and above	Count	3	4	15	18	8	6	5	59
	Earnings	\$106,439	\$89,011	\$103,931	\$100,445	\$104,520	\$120,428	\$94,238	\$102,920
All ages	Count	139	259	468	310	96	39	7	1,318
	Earnings	\$93,704	\$98,259	*	\$111,894	\$116,697	\$110,716	*	\$105,147

a. Certain values are obscured by an asterisk to protect the confidentiality of plan members.

b. Pensionable earnings as defined in Appendix A.4.1. Includes all assumed economic increases at 1 April 2024.

c. Pensionable service as defined in Appendix A.4.4.

Table 72 Female civilian member contributors - Summary

Statistic	As at March 31, 2024	As at March 31, 2021
Average age	47.5 years	45.3 years
Average pensionable service ^a	17.8 years	15.2 years
Annualized pensionable payroll ^b	\$137.9 million	\$137.4 million

a. Pensionable service as defined in Appendix A.4.4.

b. Pensionable payroll as defined in Appendix A.4.1. Includes all assumed economic increases at 1 April 2024.

For Table 73 to Table 81, pensions refer to initial amounts of all pensions in pay plus all accrued indexation, reduced by any CPP coordination and PBDA offsets in effect as at 31 March 2024. All accrued indexation is in pay except that in respect of retirement pensioners who have not yet satisfied at least one of the relevant criteria for receiving indexation payments.

Table 73 Male former regular member retirement pensioners in pay
Number and average annual pension as at 31 March 2024

Age ^a	Superannuation Account		Pension Fund		RCA	
	Number	Pension (\$)	Number	Pension (\$)	Number	Pension (\$)
Up to 44	0	0	2	47,326	0	0
45 to 49	16	6,713	25	49,391	7	1,475
50 to 54	207	13,919	223	49,648	36	1,637
55 to 59	872	25,847	886	48,265	54	4,058
60 to 64	1,522	39,303	1,560	40,979	41	10,730
65 to 69	2,431	41,900	2,276	22,453	46	10,103
70 to 74	2,913	46,727	2,161	13,234	50	6,028
75 to 79	2,397	49,465	1,035	6,325	47	4,745
80 to 84	1,246	50,991	58	2,625	13	2,462
85 to 89	631	52,879	0	0	2	577
90 to 94	256	52,669	0	0	0	0
95 and over	10	42,875	0	0	0	0
All ages	12,501	44,213	8,226	24,981	296	5,914

a. Average age of 71.9 years and average age at retirement of 52.6 years.

Table 74 Male former regular member disabled pensioners in pay
Number and average annual pension^a as at 31 March 2024

Age ^b	Superannuation Account		Pension Fund		RCA	
	Number	Pension (\$)	Number	Pension (\$)	Number	Pension (\$)
Up to 34	0	0	22	12,454	0	0
35 to 39	0	0	75	22,850	0	0
40 to 44	0	0	158	29,451	0	0
45 to 49	32	4,791	271	37,620	0	0
50 to 54	183	9,961	380	41,687	12	220
55 to 59	464	21,104	570	42,435	24	366
60 to 64	622	29,983	659	33,957	8	1,943
65 to 69	489	32,021	470	21,145	1	*
70 to 74	361	37,206	287	11,685	1	*
75 to 79	153	37,183	83	5,961	0	0
80 to 84	33	37,640	3	830	0	0
85 to 89	12	42,835	0	0	0	0
90 and over	3	54,736	0	0	0	0
All ages	2,352	28,536	2,978	31,240	46	637

a. Certain values are obscured by an asterisk to protect the confidentiality of plan members.

b. Average age of 60.3 years and average age at retirement of 50.4 years.

Table 75 Female former regular member retirement pensioners in pay
Number and average annual pension as at 31 March 2024

Age ^a	Superannuation Account		Pension Fund		RCA	
	Number	Pension (\$)	Number	Pension (\$)	Number	Pension (\$)
Up to 44	0	0	2	38,188	0	0
45 to 49	21	6,001	26	49,622	8	895
50 to 54	87	11,259	88	46,428	19	888
55 to 59	234	25,992	236	45,832	21	10,014
60 to 64	282	37,076	283	38,294	8	6,778
65 to 69	220	35,326	197	20,573	2	9,504
70 to 74	76	39,803	60	16,643	4	14,276
75 to 79	23	38,011	15	8,651	0	0
80 to 84	6	21,359	3	3,081	0	0
85 to 89	6	26,704	0	0	0	0
90 and over	4	31,680	0	0	0	0
All ages	959	31,000	910	35,490	62	5,882

a. Average age of 62.7 years and average age at retirement of 52.4 years.

Table 76 Female former regular member disabled pensioners in pay
Number and average annual pension as at 31 March 2024

Age ^a	Superannuation Account		Pension Fund		RCA	
	Number	Pension (\$)	Number	Pension (\$)	Number	Pension (\$)
Up to 34	0	0	12	13,886	0	0
35 to 39	0	0	23	21,050	0	0
40 to 44	0	0	95	29,737	0	0
45 to 49	35	4,936	142	36,516	0	0
50 to 54	158	10,907	229	41,286	16	161
55 to 59	217	20,594	256	37,035	18	116
60 to 64	174	27,030	184	33,297	3	2,516
65 to 69	102	27,731	83	21,942	0	0
70 to 74	30	29,363	24	18,053	0	0
75 and over	8	28,080	4	8,549	0	0
All ages	724	20,722	1,052	34,232	37	330

a. Average age of 55.6 years and average age at retirement of 47.9 years.

Table 77 Male former civilian member retirement pensioners in pay

Number and average annual pension^a as at 31 March 2024

Age ^b	Superannuation Account		Pension Fund		RCA	
	Number	Pension (\$)	Number	Pension (\$)	Number	Pension (\$)
Up to 54	1	*	2	38,019	0	0
55 to 59	38	20,406	45	46,797	0	0
60 to 64	120	29,342	179	39,947	0	0
65 to 69	180	33,093	216	26,268	3	12,681
70 to 74	194	37,456	215	17,101	6	1,931
75 to 79	165	41,515	149	10,812	1	*
80 to 84	104	37,866	38	5,057	1	*
85 to 89	43	34,065	5	6,307	0	0
90 to 94	14	34,447	0	0	0	0
95 and over	4	*	0	0	0	0
All ages	863	35,278	849	24,167	11	5,206

a. Certain values are obscured by an asterisk to protect the confidentiality of plan members.

b. Average age of 71.8 years and average age at retirement of 58.6 years.

Table 78 Male former civilian member disabled pensioners in pay

Number and average annual pension^a as at 31 March 2024

Age ^b	Superannuation Account		Pension Fund	
	Number	Pension (\$)	Number	Pension (\$)
Up to 39	0	0	3	16,664
40 to 44	0	0	6	18,409
45 to 49	0	0	11	26,471
50 to 54	5	9,137	20	23,897
55 to 59	11	15,703	30	31,143
60 to 64	23	18,243	37	29,581
65 to 69	19	24,018	32	19,533
70 to 74	19	31,417	17	9,998
75 to 79	9	28,039	5	*
80 to 84	2	32,653	0	0
85 and over	4	26,795	1	*
All ages	92	23,001	162	23,327

a. Certain values are obscured by an asterisk to protect the confidentiality of plan members.

b. Average age of 62.3 years and average age at retirement of 51.9 years.

Table 79 Female former civilian member retirement pensioners in pay
Number and average annual pension^a as at 31 March 2024

Age ^b	Superannuation Account		Pension Fund		RCA	
	Number	Pension (\$)	Number	Pension (\$)	Number	Pension (\$)
Up to 54	5	8,751	9	32,613	0	0
55 to 59	32	19,071	46	41,793	1	*
60 to 64	112	24,684	181	32,387	1	*
65 to 69	144	24,590	198	19,700	1	*
70 to 74	161	30,540	173	14,646	1	*
75 to 79	88	27,807	87	10,099	1	*
80 to 84	45	25,893	29	6,631	0	0
85 to 89	26	31,841	4	*	1	*
90 and over	14	23,832	1	*	0	0
All ages	627	26,555	728	21,462	6	10,035

a. Certain values are obscured by an asterisk to protect the confidentiality of plan members.

b. Average age of 69.8 years and average age at retirement of 58.1 years.

Table 80 Female former civilian member disabled pensioners in pay
Number and average annual pension as at 31 March 2024

Age ^a	Superannuation Account		Pension Fund	
	Number	Pension (\$)	Number	Pension (\$)
Up to 39	0	0	8	18,174
40 to 44	0	0	41	17,301
45 to 49	5	2,121	60	20,327
50 to 54	19	9,879	74	24,792
55 to 59	38	14,041	78	25,575
60 to 64	60	18,916	97	22,406
65 to 69	47	15,582	58	15,078
70 to 74	48	25,371	44	9,397
75 to 79	16	20,279	11	5,302
80 and over	7	20,600	2	3,599
All ages	240	17,857	473	19,938

a. Average age of 58.8 years and average age at retirement of 49.3 years.

Table 81 Deferred pensioners

Group	Number	Average pension (\$)	Average age
Male regular member	284	12,962	41.4
Female regular member	81	14,640	41.5
Male civilian member	113	22,003	48.4
Female civilian member	152	18,478	48.4

For Table 82 to Table 84 allowances refer to initial allowance amounts plus all indexation in effect as at 31 March 2024.

Table 82 Female eligible spouses

Number and average annual allowance^a as at 31 March 2024

Age ^b	Superannuation Account		Pension Fund		RCA	
	Number	Allowance (\$)	Number	Allowance (\$)	Number	Allowance (\$)
Up to 39	3	5,788	15	8,360	0	0
40 to 44	2	3,441	16	10,681	0	0
45 to 49	8	13,404	40	12,617	0	0
50 to 54	36	12,597	55	14,034	1	*
55 to 59	101	16,258	96	13,469	1	*
60 to 64	187	20,480	140	12,278	2	1,863
65 to 69	367	24,741	220	7,983	2	4,988
70 to 74	534	26,652	226	6,550	3	3,436
75 to 79	600	28,585	133	3,053	3	2,214
80 to 84	586	28,904	22	2,405	1	*
85 to 89	505	27,889	6	1,886	0	0
90 to 94	235	25,764	0	0	0	0
95 to 99	34	19,681	0	0	0	0
100 and over	5	27,541	0	0	0	0
All ages	3,203	26,351	969	8,557	13	4,240

a. Certain values are obscured by an asterisk to protect the confidentiality of plan members.

b. Average age of 76.6 years and average age at death of contributor of 64.6 years.

Table 83 Male eligible spouses

Number and average annual allowance^a as at 31 March 2024

Age ^b	Superannuation Account		Pension Fund		RCA	
	Number	Allowance (\$)	Number	Allowance (\$)	Number	Allowance (\$)
Up to 39	1	*	4	10,788	0	0
40 to 44	1	*	3	11,543	0	0
45 to 49	0	0	2	13,826	0	0
50 to 54	4	8,091	6	20,772	0	0
55 to 59	4	7,589	5	10,534	0	0
60 to 64	10	11,958	9	13,954	0	0
65 to 69	15	19,510	12	11,498	2	1,906
70 to 74	19	17,438	12	9,407	0	0
75 to 79	14	16,348	13	6,681	2	*
80 to 84	4	16,613	3	*	1	*
85 to 89	2	9,574	1	*	0	0
90 and over	4	15,052	0	0	0	0
All ages	78	15,227	70	11,181	5	953

a. Certain values are obscured by an asterisk to protect the confidentiality of plan members.

b. Average age of 67.2 years and average age at death of contributor of 59.1 years.

Table 84 Children

Number and average annual allowance as at 31 March 2024

Age	Superannuation Account		Pension Fund	
	Number	Pension (\$)	Number	Pension (\$)
Up to 17	24	1,370	113	3,426
18 to 25	15	2,399	33	2,893
All ages	39	1,766	146	3,306