



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

14th

on the Pension Plan for the
Members of Parliament

as at 31 March 2019

Canada

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30 September 2020

The Honourable Jean-Yves Duclos, 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 this report on the actuarial review as at 31 March 2019 of the Pension Plan for the Members of Parliament. This actuarial review is in respect of pension benefits and contributions which are defined by the *Members of Parliament Retiring Allowances Act* and the *Pension Benefits Division Act*.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'ABillig', with a stylized, flowing script.

Assia Billig, FCIA, FSA, PhD
Chief Actuary

TABLE OF CONTENTS

	Page
1 Executive Summary	5
1.1 Purpose of the Report.....	5
1.2 Valuation Basis.....	5
1.3 Main Findings	6
2 Valuation Results.....	9
2.1 Financial Position.....	9
2.2 Reconciliation of Actuarial Liabilities.....	10
2.3 Cost Certificate	11
2.4 Summary of Estimated Government Cost	14
2.5 Sensitivity to Variation in Longevity Improvement Factors	14
2.6 Sensitivity to Variation in Key Economic Assumptions.....	14
3 Actuarial Opinion.....	16
Appendix A — Summary of Plan Provisions	17
Appendix B — Contribution Rates	29
Appendix C — Recorded Account Balances	30
Appendix D — Membership Data.....	33
Appendix E — Methodology	35
Appendix F — Actuarial Assumptions	37
Appendix G — Detailed Membership Data.....	45
Appendix H — Accrued Benefit Rates after 1 January 2016.....	53
Appendix I — Contributions and Accrued Benefit Rates Prior to 2016.....	54
Appendix J — Acknowledgements.....	68

TABLES

Page

Table 1	Ultimate Best-Estimate Economic Assumptions	6
Table 2	Main Results as at 31 March 2019	6
Table 3	Current Service Costs and Allocation on a Calendar Year Basis (in % of pensionable payroll) ...	7
Table 4	Current Service Costs and Allocation on a Calendar Year Basis (\$ millions)	8
Table 5	Estimated Parliamentarians' Contribution Rates.....	8
Table 6	Valuation Interest Rate.....	8
Table 7	State of the Account.....	9
Table 8	Reconciliation of Actuarial Liabilities	10
Table 9	Experience (Gains) and Losses	10
Table 10	Revision of Actuarial Assumptions.....	11
Table 11	Current Service Cost for Plan Year 2021	12
Table 12	Reconciliation of Current Service Cost	12
Table 13	Current Service Costs and Allocation on a Plan Year Basis (in % of pensionable payroll)	13
Table 14	Current Service Costs and Allocation on a Plan Year Basis (\$ millions)	13
Table 15	Estimated Contributions for Prior Service.....	13
Table 16	Estimated Total Government Cost	14
Table 17	Sensitivity to Variation in Longevity Improvement Factors.....	14
Table 18	Sensitivity of Results to Variations in Key Economic Assumptions	15
Table 19	Parliamentarians' Historical Contribution Rates	18
Table 20	Parliamentarians' Contribution Rates	29
Table 21	Intervaluation Period - Credited Interest Rates	30
Table 22	Reconciliation of Recorded Balances in the MPRA Account	31
Table 23	Reconciliation of Recorded Balances in the MPRCA Account	31
Table 24	Summary of Membership Data.....	34
Table 25	Reconciliation of Membership.....	34
Table 26	Economic Assumptions	39
Table 27	Canadian Institute of Actuaries - Canadian Economic Statistics 1924-2018.....	40
Table 28	Average Duration of Governments over the Past Ten Elections.....	41
Table 29	Rates of Termination	41
Table 30	Mortality Rates for Plan Year 2020.....	42
Table 31	Mortality Improvement Factors.....	43
Table 32	Life Expectancy of Parliamentarians.....	43
Table 33	Assumptions for the Survivor Allowance to Spouses	43
Table 34	Reconciliation of Parliamentarians	45
Table 35	Reconciliation of Pensioners In Pay	45
Table 36	Reconciliation of Deferred Pensioners	45
Table 37	Reconciliation of Surviving Spouses.....	45
Table 38	Members of the House of Commons - Sessional Indemnity for the Following Year	46
Table 39	Senators - Sessional Indemnity for the Following Year	46
Table 40	Additional Allowances Recipients - House of Commons	47
Table 41	Additional Allowances Recipients - Senate	48

Table 42	Male Pensioners In Pay- House of Commons	49
Table 43	Female Pensioners In Pay - House of Commons.....	49
Table 44	Male Deferred Pensioners - House of Commons	50
Table 45	Female Deferred Pensioners - House of Commons.....	50
Table 46	Male Pensioners In Pay - Senate.....	51
Table 47	Female Pensioners In Pay - Senate	51
Table 48	Survivors	52
Table 49	Accrual Rates and Retirement Allowances – Pensionable Earnings	53
Table 50	Contributions - Sessional Indemnity - House of Commons.....	54
Table 51	Contributions - Additional Allowances - House of Commons	56
Table 52	Contributions - Prior Service - House of Commons	57
Table 53	Contributions - Sessional Indemnity - Senate	58
Table 54	Contributions - Additional Allowances - Senate	59
Table 55	Contributions - Prior Service - Senate	61
Table 56	Accrual Rates and Retirement Allowances - Sessional Indemnity - House of Commons	62
Table 57	Accrual Rates and Retirement Allowances - Sessional Indemnity - Senate.....	64
Table 58	Accrual Rates and Retirement Allowances - Additional Allowances - Parliamentarians	66

1 Executive Summary

This actuarial report on the Pension Plan for the Members of Parliament (the Plan) was made pursuant to the *Public Pensions Reporting Act*.

This actuarial valuation is as at 31 March 2019 and is in respect of pension benefits and contributions defined by the *Members of Parliament Retiring Allowances Act* (MPRAA) and the *Pension Benefits Division Act*.

The previous statutory actuarial report was prepared as at 31 March 2016. The next periodic review is scheduled for no later than 31 March 2022.

1.1 Purpose of the Report

The purpose of this actuarial valuation is to:

- determine the state of the Members of Parliament Retiring Allowances (MPRA) Account and the Members of Parliament Retirement Compensation Arrangements (MPRCA) Account;
- set the parliamentarians' contribution rates for calendar years 2021, 2022 and 2023; and
- assist the President of the Treasury Board in making informed decisions regarding the financing of the government's pension benefit obligation.

This report may not be suitable for another purpose.

1.2 Valuation Basis

This report is based on pension benefit provisions enacted by legislation, summarized in Appendix A. Since the previous valuation as at 31 March 2016, no amendments were made to the MPRAA.

The financial data on which this valuation is based are composed of accounts (MPRA Account and MPRCA Account) established to record the transactions for the Plan. These pension accounts are summarized in Appendix C. The membership data and the tests performed on them are summarized in Appendix D.

The valuation was prepared using accepted actuarial practice in Canada, methods and assumptions which are summarized in Appendices E and F.

All actuarial assumptions used in this report are best-estimate assumptions. 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. A complete description of the assumptions is shown in Appendix F. A summary of the ultimate economic assumptions used in this report is shown in the following table.

Table 1 Ultimate Best-Estimate Economic Assumptions

	31 March 2019 Valuation	31 March 2016 Valuation
Assumed level of inflation	2.0%	2.0%
Real increases in remuneration	0.6%	0.7%
Real increases in YMPE and MPE ¹	1.0%	1.1%
Valuation rate for the MPRA Account	4.5%	4.7%
Valuation rate for the MPRCA Account	4.5%	4.7%

A general election was held on 21 October 2019. Although the changes in the membership resulting from this election were not taken into account in this report, the estimated impact is minimal and will be reflected in the next actuarial valuation.

We have reflected the impacts of the COVID-19 pandemic on the economic assumptions used in this report. It is important to note that the pandemic is a very fluid situation that will likely continue to evolve for some time. We have estimated the impacts based on the information known at the time the report was prepared. The final impacts of this health and economic crisis will likely generate some differences in the future.

1.3 Main Findings

Table 2 Main Results as at 31 March 2019
(\$ millions)

	Account as at 31 March 2019	
	MPRA	MPRCA
Financial Position		
Recorded Account Balances	560.3	404.9
Actuarial Liability	628.3	478.2
Actuarial Excess(Shortfall)	(68.0)	(73.3)
Current Service Cost for Calendar Year 2021		
Parliamentarians Required Contributions	10.6	9.2
Government Current Service Cost	10.6	9.2
Total Current Service Cost	21.2	18.4
Special Credits/Payments in Plan Year 2021 ²	70.0	75.4

1.3.1 Actuarial Excess/(Shortfall)

As at 31 March 2019, the MPRA Account had an actuarial shortfall of \$68.0 million. In accordance with the MPRAA, the actuarial shortfall of \$68.0 million in the MPRA Account must be credited to the MPRA

¹ Year's Maximum Pensionable Earnings and Maximum Pensionable Earnings.

² It is expected that the government will amortize the MPRA and MPRCA Accounts shortfalls of \$68.0 million and \$73.3 million respectively through one-time special credits of \$70.0 million to the MPRA Account and \$75.4 million to the MPRCA Account as at 31 March 2021.

Account at the time and in the manner determined by the President of Treasury Board.

As at 31 March 2019, the MPRCA Account had an actuarial shortfall of \$73.3 million. In accordance with the MPRAA, the actuarial shortfall of \$73.3 million in the MPRCA Account must be credited to the MPRCA Account at the time and in the manner determined by the President of Treasury Board.

It is expected that the government will eliminate the actuarial shortfalls of the MPRA and the MPRCA by making one-time credits of \$70.0 million and \$75.4 million as at 31 March 2021 respectively, which takes into account the interest on the shortfalls accumulated from 31 March 2019.

1.3.2 Current Service Costs

The current service costs shown in this section are on a calendar year basis, beginning with calendar year 2021 which is the first calendar year that follows the expected tabling of this report. Current service costs on a plan year¹ basis are shown in Section 2.

The current service costs are borne jointly by the parliamentarians and the Government. In accordance with the MPRAA, since 1 January 2016, the parliamentarians' contribution rates are set by the Chief Actuary. In fixing contribution rates, the Chief Actuary's objective is to ensure that the members' contributions account for 50% of the current service costs.

Table 3 and Table 4 show the projected current service costs expressed as a percentage of the expected pensionable payroll and in dollar amounts for the three calendar years following the expected laying date of this report, as well as the allocation of the current service costs between the parliamentarians and the government.

Table 5 shows the 2020 parliamentarians' contribution rate² as a percentage of total pensionable payroll, as well as the contribution rates that will apply for calendar years after 2020. Detailed contribution rates are presented in Appendix B.

To avoid fluctuations in the parliamentarians' contribution rates over the period covered by this report, the methodology to determine the current service costs has been adjusted. More details are presented in Appendix E.

Table 3 Current Service Costs and Allocation on a Calendar Year Basis
(in % of pensionable payroll)

Calendar Year	MPRA			MPRCA			Total			Ratio of Government to Parliamentarians' Current Service Costs		
	Gov.	Parl.	Total	Gov.	Parl.	Total	Gov.	Parl.	Total	MPRA	MPRCA	Total
2021	12.47	12.47	24.94	10.87	10.87	21.74	23.34	23.34	46.68	1.0	1.0	1.0
2022	12.47	12.47	24.94	10.87	10.87	21.74	23.34	23.34	46.68	1.0	1.0	1.0
2023	12.47	12.47	24.94	10.87	10.87	21.74	23.34	23.34	46.68	1.0	1.0	1.0

¹ Any reference to a given plan year should be taken herein to mean as the 12-month period ending 31 March of the given year.

² The contribution rate for the calendar year 2020 was fixed by the Chief Actuary in the Actuarial Report on the Plan as at 31 March 2016.

Table 4 Current Service Costs and Allocation on a Calendar Year Basis
(\$ millions)

Calendar Year	MPRA			MPRCA			Total			Ratio of Government to Parliamentarians' Current Service Costs		
	Gov.	Parl.	Total	Gov.	Parl.	Total	Gov.	Parl.	Total	MPRA	MPRCA	Total
2021	10.6	10.6	21.2	9.2	9.2	18.4	19.8	19.8	39.6	1.0	1.0	1.0
2022	10.8	10.8	21.6	9.4	9.4	18.8	20.2	20.2	40.4	1.0	1.0	1.0
2023	11.0	11.0	22.0	9.6	9.6	19.2	20.6	20.6	41.2	1.0	1.0	1.0

Table 5 Estimated Parliamentarians' Contribution Rates
(in % of pensionable payroll)

Calendar Year	2020	2021	2022	2023
Parliamentarians' Contribution Rates ^{1,2}	19.70	23.34	23.34	23.34

1.3.3 Valuation Interest Rates

The legislation requires that the interest rates credited to the Accounts be the same as the interest rates used in the most recent tabled valuation report. The valuation interest rates used in this report and the effective quarterly rates are as follows:

Table 6 Valuation Interest Rate

Plan Year	Valuation Rate	Effective Quarterly Rate
2020	1.6%	0.40%
2021	1.3%	0.32%
2022	1.6%	0.40%
2023	1.7%	0.42%

¹ For members not having reached the maximum pension accrual defined under the MPRAA.

² The contribution rates presented are combined contribution rates. In effect, parliamentarians will pay a lower contribution rate for the portion of their pensionable earnings up to the year's maximum pensionable earnings (YMPE) and a higher contribution rate for pensionable earnings over the YMPE.

2 Valuation Results

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

2.1 Financial Position

Table 7 State of the Account
(\$ millions)

	Account as at 31 March 2019		Account as at 31 March 2016	
	MPRA	MPRCA	MPRA	MPRCA
Recorded Account balances				
Recorded Account Balances	559.9	202.6	502.3	248.6
Present Value of Prior Service Contributions	0.4	0.6	1.0	0.1
Canada Revenue Agency Refundable Tax Account	0.0	201.7	0.0	252.7
Total	560.3	404.9	503.3	501.4
Actuarial Liability				
For benefits accrued by or in respect of:				
· Parliamentarians	143.6	132.2	91.0	90.6
· Deferred Pensioners	26.4	40.6	25.0	35.9
· Pensioners	397.8	287.1	377.0	249.6
· Survivors	60.4	18.3	49.3	11.4
Total Actuarial Liability	628.3	478.2	542.3	387.5
Actuarial Excess/(Shortfall)	(68.0)	(73.3)	(39.0)	113.9

In accordance with the MPRAA, the actuarial shortfall of \$68.0 million in the MPRA Account **must** be credited to the MPRA Account at the time and in the manner determined by the President of Treasury Board. It is expected that the government will amortize the actuarial shortfall through a one-time special credit to the MPRA Account of \$70.0 million as at 31 March 2021 that takes into account the interest on the shortfall accumulated from 31 March 2019 to 31 March 2021.

In accordance with the MPRAA, the actuarial shortfall of \$73.3 million in the MPRCA Account **must** be credited from the MPRCA Account at the time and in the manner determined by the President of Treasury Board. It is expected that the government will amortize the actuarial shortfall through a one-time special credit to the MPRCA Account of \$75.4 million as at 31 March 2021 that takes into account the interest on the shortfall accumulated from 31 March 2019 to 31 March 2021.

2.2 Reconciliation of Actuarial Liabilities

This section describes the various factors reconciling the actuarial liabilities of this valuation with the corresponding items of the previous valuation. Figures in parentheses indicate negative amounts. Details on the experience gains and losses and on the revision of actuarial assumptions are provided in the next subsections.

Table 8 Reconciliation of Actuarial Liabilities
(\$ millions)

	MPRA	MPRCA
As at 31 March 2016	542.3	387.5
Expected current service costs	46.2	38.9
Expected benefit payments	(92.1)	(49.6)
Expected interest	38.3	28.2
Expected liability as at 31 March 2019	534.7	405.0
Experience (gains) and losses	5.4	2.7
Revision of actuarial assumptions (gains) and losses	88.9	69.5
Data corrections	0.5	(0.4)
Miscellaneous	(1.2)	1.4
As at 31 March 2019	628.3	478.2

2.2.1 Experience Gains and Losses

Since the previous valuation, experience gains and losses have increased the liabilities for the MPRA Account by \$5.4 million and increased the liabilities for the MPRCA Account by \$2.7 million. The main items are described in the following table, followed by explanatory notes.

Table 9 Experience (Gains) and Losses
(\$ millions)

	Account	
	MPRA	MPRCA
Demographic experience (i)		
Terminations	3.7	2.4
Mortality	6.9	1.4
New parliamentarians	(3.1)	(2.3)
<i>Total</i>	7.5	1.5
Pension indexation (ii)	(0.5)	(0.3)
Salary and MPE (iii)	(1.4)	0.7
Miscellaneous (iv)	(0.2)	0.8
Net experience (gains) losses	5.4	2.7

- (i) The net impact of the demographic experience increased the MPRA Account actuarial liabilities by \$7.5 million and increased the MPRCA Account actuarial liabilities by \$1.5 million.
 - The increase in liabilities of \$3.7 million for the MPRA Account and \$2.4 million for the MPRCA Account is mostly due to the number of withdrawals being less than anticipated for the members of the House of Commons.
 - The number of deaths among pensioners was less than anticipated. Consequently, there was an experience loss of \$6.9 million for the MPRA Account and an experience loss of \$1.4 million for the MPRCA Account.
 - The differences in the demographic profiles of new parliamentarians decreased the liabilities by \$3.1 million and \$2.3 million for the MPRA Account and the MPRCA Account respectively.
- (ii) In the previous report, pension indexation was projected to be 1.3% as at 1 January 2017, 1.9% as at 1 January 2018 and 2.0% as at 1 January 2019. The actual indexation of pension was 1.3% as at 1 January 2017, 1.6% as at 1 January 2018 and 2.2% as at 1 January 2019, which resulted in a gain of \$0.5 million for the MPRA Account and \$0.3 million for the MPRCA Account.
- (iii) The interaction in increase in the sessional indemnity and increase in the maximum pensionable earnings resulted in a gain in the MPRA account of \$1.4 million and a loss on the MPRCA account of \$0.7 million.
- (iv) Includes the impact on the liabilities of pension divisions, service suspensions and service elections that occurred during the intervaluation period.

2.2.2 Revision of Actuarial Assumptions

Actuarial assumptions were revised based on economic trends and demographic experience as described in Appendix F. The impact of the revised actuarial assumptions as at 31 March 2019 is shown in the following table.

Table 10 Revision of Actuarial Assumptions
(\$ millions)

Assumption	Account	
	MPRA	MPRCA
Valuation interest rate	93.9	74.5
Pension indexation	(4.0)	(2.9)
Salary, YMPE and MPE	(1.0)	(2.1)
Net impact of revisions	88.9	69.5

2.3 Cost Certificate

The current service costs shown in this section are on a plan year basis. Current service costs on a calendar year basis are shown in the Executive Summary.

2.3.1 Current Service Costs

The details of the current service costs for plan year 2021 as well as a reconciliation with the plan year 2018 current service costs are shown below.

Table 11 Current Service Cost for Plan Year 2021
For each Account (\$ millions)

	MPRA	MPRCA	Total
Parliamentarians required contributions	10.4	9.0	19.4
Government current service cost	10.4	9.0	19.4
Total current service cost	20.8	18.0	38.8
Expected pensionable payroll ¹	83.1	83.1	83.1
Total current service cost as % of pensionable payroll	24.94	21.74	46.68

Table 12 Reconciliation of Current Service Cost
(% of pensionable payroll)

	MPRA	MPRCA	Total
For Plan year 2018	21.16	17.66	38.82
Expected current service cost change	0.78	(0.11)	0.67
Experience (gains) and losses	(0.28)	0.76	0.48
Change in valuation interest rate	4.66	3.72	8.37
Change in salary, YMPE and MPE	(0.65)	0.12	(0.53)
Change in methodology ²	(0.72)	(0.41)	(1.13)
For Plan year 2021	24.94	21.74	46.68

2.3.2 Projection of Current Service Costs

The current service costs are borne jointly by the parliamentarians and the Government. In accordance with the MPRAA, since 1 January 2016, the parliamentarians' contribution rates are set by the Chief Actuary. In fixing contribution rates, the Chief Actuary's objective is to ensure that the members' contributions account for 50% of the current service costs.

The following tables show the projected current service costs for the next four years expressed as a percentage of the expected pensionable payroll and in dollar amounts on a plan year basis, as well as the allocation of the current service costs between the parliamentarians and the government.

¹ The projected pensionable payroll includes the salaries of members aged 71 and over who do not make contributions under the MPRA Account but do contribute under the MPRCA Account. Therefore, the current service costs for the MPRA Account would be higher if expressed as a percentage of the payroll of only the members contributing (ages below 71) under the MPRA Account.

² To avoid fluctuation in the estimated Parliamentarians' contribution rates over the period covered by this valuation report, the methodology to determine the current service cost was adjusted. More details are provided in Appendix E.

Table 13 Current Service Costs and Allocation on a Plan Year Basis
(in % of pensionable payroll)

Plan Year	MPRA			MPRCA			Total			Ratio of Government to Parliamentarians' Current Service Costs		
	Gov.	Parl.	Total	Gov.	Parl.	Total	Gov.	Parl.	Total	MPRA	MPRCA	Total
2021	12.47	12.47	24.94	10.87	10.87	21.74	23.34	23.34	46.68	1.00	1.00	1.00
2022	12.47	12.47	24.94	10.87	10.87	21.74	23.34	23.34	46.68	1.00	1.00	1.00
2023	12.47	12.47	24.94	10.87	10.87	21.74	23.34	23.34	46.68	1.00	1.00	1.00
2024	12.47	12.47	24.94	10.87	10.87	21.74	23.34	23.34	46.68	1.00	1.00	1.00

Table 14 Current Service Costs and Allocation on a Plan Year Basis
(\$ millions)

Plan Year	MPRA			MPRCA			Total			Ratio of Government to Parliamentarians' Current Service Costs		
	Gov.	Parl.	Total	Gov.	Parl.	Total	Gov.	Parl.	Total	MPRA	MPRCA	Total
2021	10.4	10.4	20.8	9.0	9.0	18.0	19.4	19.4	38.8	1.0	1.0	1.0
2022	10.6	10.6	21.2	9.2	9.2	18.4	19.8	19.8	39.6	1.0	1.0	1.0
2023	10.8	10.8	21.6	9.4	9.4	18.8	20.2	20.2	40.4	1.0	1.0	1.0
2024	11.1	11.1	22.2	9.7	9.7	19.4	20.8	20.8	41.6	1.0	1.0	1.0

2.3.3 Contributions for Prior Service Elections

Parliamentarians and Government contributions for prior service elections were estimated as follows. It is assumed that there would be no new prior service elections in the next three years.

Table 15 Estimated Contributions for Prior Service
(Dollars)

Plan Year	MPRA		MPRCA	
	Government	Parliamentarians	Government	Parliamentarians
2021	18,800	18,800	32,400	32,400
2022	13,600	13,600	23,800	23,800
2023	12,800	12,800	22,800	22,800
2024	12,800	12,800	22,800	22,800

2.3.4 Debits and Credits

It is expected that the government will amortize the MPRA and MPRCA Accounts shortfalls of \$68.0 million and \$73.3 respectively through one-time special credits of \$70.0 million to the MPRA Account and of \$75.4 million to the MPRCA Account as at 31 March 2021.

2.3.5 Administrative Expenses

No administrative expenses are charged to the Accounts as they are paid by the Government.

2.4 Summary of Estimated Government Cost

The following table summarizes the estimated total government cost on a plan year basis.

Table 16 Estimated Total Government Cost
(\$ millions)

Plan Year	Current Service Cost		Special credits		Prior Service Contributions ¹		Total Government Cost	
	MPRA	MPRCA	MPRA	MPRCA	MPRA	MPRCA	MPRA	MPRCA
2021	10.4	9.0	70.0	75.4	0.0	0.0	80.4	84.4
2022	10.6	9.2	0.0	0.0	0.0	0.0	10.6	9.2
2023	10.8	9.4	0.0	0.0	0.0	0.0	10.8	9.4
2024	11.1	9.7	0.0	0.0	0.0	0.0	11.1	9.7

2.5 Sensitivity to Variation in Longevity Improvement Factors

This valuation assumes that the current mortality rates applicable to members of the Plan will improve over time based on the mortality improvement scale CPM-B that was developed by the Canadian Institute of Actuaries. The following table measures the effect of varying the longevity improvement assumptions on the plan year 2021 current service cost and the actuarial liabilities as at 31 March 2019.

Table 17 Sensitivity to Variation in Longevity Improvement Factors

	Total Current Service Cost (as a % of pensionable payroll)		Actuarial Liability at 31 March 2019 (\$ millions)				Life Expectancy of a Plan Member aged 65 as at 31 March 2019	
	2021	Effect	MPRA Account		MPRCA Account		Male	Female
			Effect	Effect	Effect	Effect		
Longevity improvement								
Current basis	46.68		628.3		478.2		23.7	25.2
- if 0%	44.42	(2.27)	601.2	(27.1)	458.3	(19.9)	22.1	23.9
- if ultimate 50% higher	47.09	0.41	631.2	2.9	480.6	2.4	23.9	25.3
- if ultimate 50% lower	46.27	(0.41)	625.4	(2.9)	475.8	(2.4)	23.5	25.0
- if kept at 2019 level	47.38	0.70	633.4	5.1	482.6	4.4	24.1	25.4

2.6 Sensitivity to Variation in Key Economic Assumptions

The results below measure the effect on the plan year 2021 current service cost and the actuarial liabilities as at 31 March 2019 if key economic assumptions are varied by one percentage point per annum from plan year 2021 onward.

The estimates indicate the degree to which the valuation results depend on some of the key economic assumptions. The differences between the results below and those shown in the valuation can also serve as a basis for approximating the effect of other numerical variations in one of the key economic

¹ Zero due to rounding. Estimated contributions for prior service elections are shown in Table 15.

assumptions, to the extent that such effects are linear.

Table 18 Sensitivity of Results to Variations in Key Economic Assumptions

Assumption(s) Varied	Current Service Cost (% of pensionable payroll)		Actuarial Liability at 31 March 2019 (\$ millions)			
	2021	Effect	MPRA Account		MPRCA Account	
				Effect		Effect
Current basis	46.68		628.3		478.2	
Interest Rates						
- if 1% higher	37.96	(8.73)	555.1	(73.2)	418.4	(59.8)
- if 1% lower	58.38	11.70	719.2	91.0	553.1	74.9
Pension Indexation						
- if 1% higher	53.51	6.83	706.5	78.2	541.1	62.9
- if 1% lower	41.17	(5.51)	562.8	(65.4)	426.2	(52.0)
Salary, YMPE and MPE						
- if 1% higher	49.40	2.72	635.9	7.6	482.2	3.9
- if 1% lower	44.26	(2.42)	621.3	(7.0)	474.8	(3.4)
Inflation ¹						
- if 1% higher	45.36	(1.32)	625.6	(2.6)	472.5	(5.7)
- if 1% lower	48.09	1.41	630.9	2.6	484.4	6.2

¹ Change in inflation impacts nominal interest rates and salary, as well as pension indexation.

3 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 methodology employed is 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.


A general election was held on 21 October 2019. Although the changes in the membership resulting from this election were not taken into account in this report, the estimated impact is minimal and will be reflected in the next actuarial valuation.

We have reflected the impacts of the COVID-19 pandemic on the economic assumptions used in this report. It is important to note that the pandemic is a very fluid situation that will likely continue to evolve for some time. We have estimated the impacts based on the information known at the time the report was prepared. The final impacts of this health and economic crisis will likely generate some differences in the future.

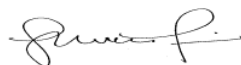
To the best of our knowledge, after discussions with the Treasury Board of Canada Secretariat, there were no other subsequent events between the valuation date and the date of this report that would materially impact the results of the actuarial valuation report.



Assia Billig, FCIA, FSA
Chief Actuary



François Lemire, FCIA, FSA



Laurence Frappier, FCIA, FSA

Ottawa, Canada
30 September 2020

Appendix A — Summary of Plan Provisions

The *Members of Parliament Retiring Allowances Act* (MPRAA) governs pension arrangements for parliamentarians, that is, members of the Senate, members of the House of Commons and the Prime Minister. Under the MPRAA, the Pension Plan for the Members of Parliament (the Plan) also provides a survivor allowance for eligible spouses and children. Benefits may be modified by the *Pension Benefits Division Act* if there is a breakdown in spousal union.

The plan provisions as they stand as at 31 March 2019 are summarized in this Appendix. Since the previous valuation as at 31 March 2016, no amendments were made to the MPRAA.

The summary of plan provisions presented in this Appendix does not distinguish between the benefits provided under the Members of Parliament Retiring Allowances (MPRA) Account and the Members of Parliament Retirement Compensation Arrangements (MPRCA) Account.

The MPRA Account records the transactions related to the benefits payable under the Plan when these benefits fall within limits permitted by income tax rules for registered pension plans. The MPRCA Account records transactions related to benefits payable under the Plan for benefits that exceed these limits.

In the event of an inconsistency between the current report and the original statute or a subsequent amendment as certified by the Clerk of the Parliaments under the *Publication of Statutes Act*, the original statute or amendment prevails to the extent of the inconsistency.

A.1 Membership

Membership in the Plan is compulsory for all parliamentarians.

A.2 Contributions

A.2.1 Parliamentarians' Contributions

Starting in January 2013, parliamentarians' contribution rates for those who had not reached the maximum pension accrual defined under the MPRAA began increasing in order to move toward an employer-member cost-sharing ratio of 50:50 by 2017. The increase was phased in over three years, with contribution rates rising by 1% of salary in January 2013 to 8%; by 1% in January 2014 to 9%; and by 1% in January 2015 to 10%.

Starting on 1 January 2016, the contribution rates for parliamentarians who have not reached the maximum pension accrual are set by the Chief Actuary. In fixing contribution rates, the Chief Actuary's objective is to ensure that from 1 January 2017 onward, the members' contributions account for 50% of the current service costs.

The following table shows the parliamentarians' contribution rates for those who have not reached the maximum pension accrual for calendar years 2012 to 2023. The contribution rates presented below are combined contributions rates. In effect, since 1 January 2016, parliamentarians pay a lower contribution rate for the portion of their pensionable earnings up to the yearly maximum pensionable earnings (YMPE) and a higher contribution rate for pensionable earnings over the YMPE. Furthermore, contributions are split between the MPRA Account and the MPRCA Account based on the maximum

pensionable earnings applicable in each calendar year as well as the parliamentarian's age. Detailed information on the contribution rates applicable for calendar years after 2016 are presented in Appendix B.

Table 19 Parliamentarians' Historical Contribution Rates
(before reaching maximum pension accrual)
(as a % of pensionable payroll)

Calendar Year	Percentage of pensionable payroll
2012	7.00
2013	8.00
2014	9.00
2015	10.00
2016	15.79
2017	19.48
2018	19.41
2019	19.52
2020	19.70
2021	23.34
2022	23.34
2023	23.34

Plan members make contributions on their sessional indemnities based on the rates shown above, until they reach the maximum benefit accrual rate of defined under the MPRAA. Once they have reached that maximum, the contribution rate drops to 1% of salary for the remainder of their service.

Some plan members, such as the speakers, Cabinet ministers, leaders of the opposition and parliamentary secretaries, receive additional allowances and salaries. They make contributions on these additional amounts based on the rates indicated above.

Any parliamentarian can decide to contribute for prior service in Parliament based on the contribution rates applicable at the time of the election and applicable interest.

In addition to the contributions made as a parliamentarian described above, the member who holds the office of Prime Minister must contribute on his salary received as Prime Minister based on the rates shown in Table 19.

A.2.2 Government Contributions

On a monthly basis, the Government is required to credit an amount to each account that, after taking into account parliamentarians' contributions, will be sufficient to cover the costs of all future benefits earned during that month. The Government contribution rate for each account varies from year to year and can be expressed as a multiple of parliamentarians' contributions. Starting on 1 January 2017, the members and the Government will share the current service costs of the Plan equally.

A.2.3 Interest

Every quarter, the Government credits interest on the balance of each account at the rate prescribed in the MPRAA. Starting 1 January 2013, the interest rate to be credited to the MPRA Account and the MPRCA Account is the effective quarterly rate derived from the valuation interest rate used in the most recently tabled valuation report.

A.2.4 Actuarial Excess (Shortfall)

The President of the Treasury Board has the authority to, on the basis of actuarial advice, debit amounts from the MPRA and/or the MPRCA Accounts if there is an excess of the balance of the account over the actuarial liability. Conversely, if an actuarial shortfall is identified, the MPRA and MPRCA Accounts must be credited with such amounts which, in the opinion of the President of the Treasury Board on the basis of actuarial advice, will be necessary to meet the total costs of all allowances and other benefits payable under the Plan.

A.3 Summary Description of Benefits

The objective of the 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 in case of death are also provided. Once in pay, the pension is indexed annually with the Consumer Price Index; however, indexation payments are deferred until age 60. Indexation also applies to deferred pensions during the deferral period.

A.3.1 Service prior to 1 January 2016

For service prior to 1 January 2016, the benefit accrual rate on the sessional indemnity for Senators is 3% per year of service, to a maximum of 75% of the average sessional indemnity; and the benefit accrual rate on the sessional indemnity for members of the House of Commons, to a maximum of 75% of the average sessional indemnity, is as follows:

- 3% per year of service effective January 1, 2001;
- 4% per year of service from 13 July 1995, to 31 December 2000;
- 5% per year of service up to and including July 12, 1995.

Benefit accrual rates on additional allowances and salaries for both the members of the House of Commons and the Senate are based on the following accrual rates, with a pro-rata applied on these rates if the additional allowances and salaries are different from the sessional indemnity received in that year:

- 3% per year of service effective January 1, 2001;
- 4% per year of service from 13 July 1995, to 31 December 2000;
- 5% per year of service up to and including July 12, 1995.

There is no limit on benefit accruals on additional allowances and salaries.

The retirement allowance payable to eligible members is based on the parliamentarian's average

sessional indemnity for the best five years¹ of pay and the combined accrual rates on sessional indemnity and additional allowances and salaries. It is payable starting from age 55 with no applicable early retirement reduction.

Historical accrual rates and how they are split between the MPRA Account and the MPRCA Account are presented in Appendix I.

A.3.2 Service on or after 1 January 2016

For service on or after 1 January 2016 and subject to coordination with the pensions paid by the Canada Pension Plan (CPP) or the Québec Pension Plan (QPP), the retirement allowance is 3% of the highest average of annual pensionable earnings over any period of five consecutive years, multiplied by the number of years of pensionable service, to a maximum of 75% of the average annual pensionable earnings.

The retirement allowance for service after 1 January 2016 is payable from age 65. However, a parliamentarian may elect to receive a reduced retirement allowance from age 55.

A.3.3 Prime Minister's Allowance

Prime Ministers are also entitled to a retirement allowance based on salary and service as Prime Minister.

For a member who has held the office of Prime Minister for four years before 6 February 2006, the annual amount of retirement allowance, payable from the day on which a Prime Minister ceases to be a parliamentarian or reaches 65 years of age, whichever is later, is equal to two-thirds of the annual salary payable to the Prime Minister on the day on which the retirement allowance is payable.

For a member who has held the office of Prime Minister for four years after 6 February 2006, the annual amount of retirement allowance, payable from the day on which a Prime Minister ceases to be a parliamentarian or reaches 67 years of age, whichever is later, is equal to 3% of the salary payable under the Salaries Act to the Prime Minister as Prime Minister on day where the retirement allowance becomes payable multiplied by the number of years and portions of years that the member held the office of Prime Minister.

More detailed information on benefits payable in case of termination, disability or death is provided below. Detailed notes on the following overview are provided in the following section.

¹ Was based on best six consecutive years of pay prior to 1 January 2001.

Type of Termination	Benefit
Parliamentarians	
Retirement with less than six years of service	Return of contributions (Note A.4.17)
Retirement with six or more years of service	
• Service up to and including 12 July 1995	Immediate allowance (Note A.4.9)
• Service from 12 July 1995 to 31 December 2015	Deferred allowance to age 55 (Note A.4.10)
• Service after 1 January 2016	Deferred allowance to age 65 (Note A.4.10)
Compulsory retirement because of misconduct	Return of contributions (Note A.4.19)
Disability	Immediate allowance (Note A.4.14)
Death leaving no eligible survivor	Minimum benefit (Note A.4.18)
Death leaving eligible survivors (Notes A.4.15 and A.4.16)	Survivor allowance(s) (Note A.4.13)
Prime Minister¹	
Retirement with less than four years as Prime Minister	Return of contributions (Note A.4.17)
Retirement with four or more years as Prime Minister	
• Four years of service prior to 6 February 2006	Deferred allowance to age 65 (Note A.4.10)
• Four years of service after 6 February 2006	Deferred allowance to age 67 (Note A.4.10)
Death leaving no eligible survivor	Minimum benefit (Note A.4.18)
Death leaving eligible survivors (Notes A.4.15 and A.4.16)	Survivor allowance(s) (Note A.4.13)

A.4 Explanatory Notes

A.4.1 Sessional Indemnity

A.4.1.1 Member of the House of Commons

This is the remuneration of a Member provided pursuant to section 55 or 55.1 of the *Parliament of Canada Act*. The annual sessional indemnity at 1 April 2019 for Members of the House of Commons is \$178,900. Thereafter the sessional indemnity will be increased annually in accordance with an index as described in Appendix F.

A.4.1.2 Senator

This is the remuneration of a Senator provided pursuant to section 55 or 55.1 of the *Parliament of Canada Act*. The annual sessional indemnity at 1 April 2019 for Senators is \$153,900. Thereafter their sessional indemnity will be the sessional indemnity received by the Members of the House of Commons less \$25,000.

A.4.2 Pensionable Earnings

With respect to any calendar year, pensionable earnings are equal to the aggregate of the parliamentarian's sessional indemnity and any additional allowances in respect of which contributions have been made to the Plan.

¹ For salary and service as Prime Minister.

A.4.3 Additional Allowance

The following two items constitute a member's additional allowance for the purpose of this report:

A.4.3.1 Salary

This is the remuneration of a parliamentarian provided pursuant to section 4 or 4.1 of the *Salaries Act* or section 60, 61, 62.1 or 62.2 of the *Parliament of Canada Act*, or payable to a member pursuant to an appropriation Act as a minister of state or a minister without portfolio.

A.4.3.2 Annual Allowance

This is the remuneration of a parliamentarian provided pursuant to section 62 or 62.3 of the *Parliament of Canada Act* or payable to a member pursuant to an appropriation Act as Deputy Chairman or Assistant Deputy Chairman of a committee.

A.4.4 Average Annual Sessional Indemnity

The average annual sessional indemnity for Plan purposes is the average of the annual sessional indemnities during any five-year period of pensionable service selected by the parliamentarian.

A.4.5 Average Annual Pensionable Earnings

The average annual pensionable earnings for Plan purposes are the average of the annual pensionable earnings during any five-year period of pensionable service selected by the parliamentarian.

A.4.6 Average Maximum Pensionable Earnings

The average maximum pensionable earnings for Plan purposes means the average of the Year's Maximum Pensionable Earnings, as defined in subsection 2(1) of the Canada Pension Plan, for the earlier of the year in which the former member ceased to be a member or the year in which the former member becomes entitled to receive a retirement benefit from the Canada Pension Plan or the Québec Pension Plan, and for the four years preceding that earlier year.

A.4.7 Years of Pensionable Service

Parliamentarians accumulate years of pensionable based on the contributions on sessional indemnity they make to the Plan. Prior to 1 January 2016, contributing on additional allowances provides the parliamentarian with additional years of pensionable service instead of increasing the pensionable earnings on which the retirement allowance is calculated. After 1 January 2016, parliamentarians no longer receive additional service for contributions paid on additional allowances. Instead, additional allowances are included in their average annual pensionable earnings calculation.

A.4.8 Earnings Limit

In relation to a parliamentarian in respect of one or more sessions in any calendar year, the earnings limit is the maximum pensionable earnings in respect of which benefits may be accrued under a registered pension plan during that calendar year within the meaning of the Income Tax Act (ITA).

Starting 1 January 2016, the earnings limit is adjusted to take into consideration the coordination of the retirement allowance payable with the benefits of the Canada Pension Plan or the Québec Pension Plan. The earnings limit was \$159,000 in calendar year 2019 and will be increasing to \$162,500 in calendar year 2020. Thereafter, the earnings limit will be indexed in accordance with the industrial aggregate of average weekly earnings (more details in Appendix F).

A.4.9 Immediate Allowance

An *immediate allowance* is an unreduced pension payable upon retirement. The annual amount payable is calculated in accordance with A.4.11.

A.4.10 Deferred Allowance

A *deferred allowance* is an annuity that becomes payable to a pensioner when he or she reaches a certain age. The annual payment is determined as if it were an immediate allowance (see A.4.9 above) but is adjusted to reflect the indexation A.4.12 from date of termination to the commencement of annuity payments.

A.4.11 Retirement Allowances

A.4.11.1 Parliamentarians Covered by the Plan

A parliamentarian is eligible to receive a retirement allowance upon termination of Membership after having contributed for at least six years. The portion of the retirement allowance related to the MPRA Account is called the basic retirement allowance while the portion of the retirement allowance related to the MPRCA Account is called the retirement compensation allowance.

For service prior to 1 January 2016

The annual amount of basic retirement allowance and of retirement compensation allowance payable to a parliamentarian is determined by multiplying the parliamentarian's average sessional indemnity by the fraction corresponding to the sum of i) plus ii), where

- i) is the sum, subject to a maximum of 0.75, of:
 - in respect of contributions made on sessional indemnity as a Member of the House of Commons:
the number of years of pensionable service, multiplied by the corresponding annual accrual rates from Table 56, depending when the pensionable service was accrued or the election was made.
 - in respect of contributions made on sessional indemnity as a Senator:
the number of years of pensionable service, multiplied by the corresponding annual accrual rates from Table 57, depending when the pensionable service was accrued or the election was made.
- ii) in respect of contributions made on additional allowances as a parliamentarian:
the number of calculated years of pensionable service based on contributions made on

additional allowances, multiplied by the corresponding annual accrual rates from Table 58, depending when the pensionable service was accrued or the election was made.

The allocation of the payments between the MPRA and the MPRCA Accounts are described in Table 56, Table 57 and Table 58.

For service after 1 January 2016

The annual amount of retirement allowance (basic retirement allowance plus retirement compensation allowance) is equal to 3% of the parliamentarian's average annual pensionable earnings multiplied by the number of years and portions of years of pensionable service. For retirement allowances payable after age 60, this amount is reduced by a percentage of the person's average maximum pensionable earnings multiplied by the number of years and portions of years of pensionable service up to age 71. The applicable percentage (also called Coordination Factor) is fixed by the Chief Actuary and is equal to 0.4% as at the date of this valuation report. The aggregate of the basic retirement allowance and the retirement compensation allowance shall not exceed 75% of the member's average annual pensionable earnings.

The retirement allowance for service after 1 January 2016 is payable from age 65. However, a parliamentarian may elect to receive a reduced retirement allowance from age 55. The reduction is equal to 1% per year for each year by which the age at pension commencement precedes age 65.

The allocation of the payments between the MPRA and the MPRCA Accounts are described in Table 49.

A.4.11.2 Prime Minister

Former Prime Ministers are eligible to receive a retirement compensation allowance if they contributed for at least four years on their salary received as Prime Minister, as described in section A.3.3.

For a member who held the office of Prime Minister for four years before 6 February 2006, the annual amount of retirement compensation allowance, payable from the day on which a Prime Minister ceases to be a parliamentarian or reaches 65 years of age, whichever is later, is equal to two-thirds of the annual salary payable to the Prime Minister on the day on which the retirement compensation allowance is payable.

For a member who has held the office of Prime Minister for four years after 6 February 2006, the annual amount of retirement compensation allowance, payable from the day on which a Prime Minister ceases to be a parliamentarian or reaches 67 years of age, whichever is later, is equal to 3% of the salary payable under the *Salaries Act* to the Prime Minister as Prime Minister on the day that the retirement compensation allowance becomes payable multiplied by the number of years and portions of years that the member held the office of Prime Minister.

A.4.12 Retirement Allowance Indexation

Benefit adjustments corresponding to increases in the Consumer Price Index (CPI) are provided in respect of the allowances payable under both the MPRA and MPRCA Accounts to pensioners and

survivors. The adjusted benefit, with adjustment applicable at the beginning of each calendar year, is calculated by applying to the benefit the ratio of the average of the CPI for the 12-month period ending on September 30 of the preceding year to the average for the corresponding period one-year earlier.

Although survivor benefits and disability pensions are indexed immediately when they commence to be paid, retirement or compensation allowances are not indexed until age 60. However, the increase at that age reflects the cumulative increase since the parliamentarian ceased to hold parliamentary office. The increase is also cumulative in case of a former Prime Minister's retirement compensation allowance where the allowance is based on the annual salary payable to the Prime Minister on the day on which the retirement compensation allowance is payable.

A.4.13 Survivor Benefits

The following survivor allowances are payable on the death of a pensioner or a parliamentarian who has satisfied the eligibility requirements for a retirement allowance:

- **Parliamentarians or Pensioners**

The surviving spouse benefit is an allowance equal to three-fifths of the retirement allowance. If there is more than one surviving spouse, the person who was married to the parliamentarian receives three-fifths of the retirement allowance less the amount payable to the person who was cohabiting with the parliamentarian in a relationship of a conjugal nature. The latter amount is equal to three-fifths of the retirement allowance multiplied by the following ratio: the number of years that the survivor cohabited with the person while he or she was a parliamentarian divided by the number of years that the person was a parliamentarian.

To each surviving child, an allowance is payable equal to one-tenth of the retirement allowance, subject to a maximum of three-tenths in total for all surviving children. If the person died leaving no surviving spouse, each surviving child receives two-tenths of the retirement allowance subject to a maximum of eight-tenths in total for all surviving children.

- **Prime Minister**

The surviving spouse benefit is an allowance equal to one-half of the retirement compensation allowance that the person was receiving as former Prime Minister at the time of death or would have been eligible to receive if, immediately before the time of death, that person had ceased to hold the office of Prime Minister and had reached 65 years of age, in the case of a member who has held the office of Prime Minister before 6 February 2006, or 67 years of age otherwise. If there is more than one surviving spouse, the person who was married to the Prime Minister receives half of the former Prime Minister's retirement compensation allowance less the amount payable to the person who was cohabiting with the Prime Minister in a relationship of a conjugal nature. The latter amount is equal to one-half of the retirement allowance multiplied by the following ratio: the number of years the survivor cohabited with the parliamentarian divided by the number of years that the member was a parliamentarian.

There is no child benefit paid related to the retirement compensation allowance that the person was receiving as former Prime Minister.

A.4.14 Disability Benefit

A.4.14.1 Where the parliamentarian has not reached 55 years of age

A deferred temporary compensation allowance becomes an immediate temporary allowance and is payable in the following two cases:

- a parliamentarian who resigns by reason of disability and who is entitled to receive a disability pension under the Canada Pension Plan or the Québec Pension Plan.
- a pensioner entitled to receive a disability pension under the Canada Pension Plan or the Québec Pension Plan.

The basic retirement allowance commences at the age of 60.

A.4.14.2 Where a pensioner has reached 55 years of age or where a parliamentarian has reached 55 years of age but has not reached 65 years of age

There is no formal disability benefit in this case and the parliamentarian or the pensioner is entitled to receive the retirement allowance that is immediately payable.

A.4.14.3 Where the parliamentarian has reached 65 years of age when that parliamentarian resigns by reason of disability

A parliamentarian who has reached 65 years of age and who resigns by reason of disability can choose between the following two benefits:

- a disability allowance equal to 70% of annual salaries and allowances, in accordance with the *Parliament of Canada Act*. This is payable if a severance allowance has not been paid and until the next general election for Members of the House of Commons or until 75 years of age for Senators. The disability allowance also ceases if the pensioner revokes the election or dies. While receiving the disability allowance, the pensioner still contributes to the MPRA and the MPRCA Accounts. These contributions are calculated in respect of the salaries and allowances on which the disability allowance is based.

When the disability allowance ceases to be paid other than because of death, the pensioner is entitled to receive the retirement allowance payable to that parliamentarian taking into account the service accrued while receiving the disability allowance. Since this disability allowance benefit is a provision of the *Parliament of Canada Act*, it was not actuarially valued in this report.

- The parliamentarian who does not elect to receive the disability allowance mentioned above is entitled to receive the retirement allowance that is immediately payable to that parliamentarian¹.

A.4.15 Eligible Surviving Spouse

In the case of a parliamentarian, the eligible surviving spouse is the person who was married to the parliamentarian immediately before his or her death or was cohabitating in a relationship of a conjugal

¹ This option can be more advantageous to the former member who was not receiving any additional allowances when he or she resigned and who had already accrued 75% of the average sessional allowance as a retirement allowance.

nature with the parliamentarian for at least one year immediately before his or her death.

In the case of a pensioner, the eligible surviving spouse is the person who was married to the pensioner before his or her death and before the time when he or she ceased to be a parliamentarian, or who was cohabiting in a relationship of a conjugal nature with the pensioner for at least one year immediately before his or her death, where such cohabitation commenced while the pensioner was a parliamentarian.

A.4.16 Eligible Surviving Child

An eligible surviving child is a child or stepchild of (or an individual adopted either legally or in fact by) a parliamentarian or pensioner who:

- is less than 18 years of age; or
- is 18 years of age or older but less than 25 years of age and is in full-time attendance at a school or university, having been in such attendance substantially without interruption since the child reached 18 years of age or the parliamentarian or pensioner died, whichever occurred later.

A.4.17 Return of Contributions

If a parliamentarian ceases to be a parliamentarian before satisfying the eligibility requirements for a retirement allowance, or if the parliamentarian is disqualified from the Senate or is expelled from the House of Commons, the parliamentarian is entitled to a return of contributions plus interest.

A.4.18 Minimum Death Benefit

If a parliamentarian or pensioner dies leaving no eligible survivor, or if the survivor dies, the amount by which the sum of the parliamentarian's contributions and interest paid on prior service contributions exceeds any annuity payments made to the parliamentarian and to his or her survivors, is payable to the parliamentarian's estate.

A.4.19 Compulsory Retirement as a Result of Misconduct

In the case of compulsory retirement because of misconduct, the contributor is entitled to a return of contributions¹ plus interest.

A.4.20 Election for Joint and Survivor Benefit

A pensioner who has a survivor to whom, in the event of the pensioner's death, no survivor benefit would be paid may elect, subject to the regulations, to receive, instead of all future retirement allowances, a joint and survivor benefit. The amount of the joint and survivor benefit is determined by adjusting in accordance with the regulations the aggregate of the retirement allowances. In no circumstance may the actuarial present value of the joint and survivor benefit be less than the actuarial present value of the original retirement allowance. An election for a joint and survivor benefit is irrevocable except under such circumstances and such terms and conditions as are prescribed. When a

¹ No contribution is paid by a parliamentarian during any session in the course of which the member ceases to be a Senator by reason of disqualification or was expelled from the House of Commons.

pensioner who made such an election subsequently becomes a parliamentarian on any day thereafter, the election is deemed to be revoked on that day. If the election is in force, there will be paid on the death of the pensioner to the survivor, who was designated as such at the time of the election, a joint and survivor benefit in an amount determined in accordance with the regulations.

A.4.21 Division of Pension in Case of Spousal Union Breakdown

In accordance with the *Pension Benefits Division Act*, upon the breakdown of a spousal union (including a union of a conjugal nature), a lump sum can be transferred by court order or by mutual consent to the credit of the former spouse of a contributor or pensioner. As at the transfer date, the maximum transferable amount is half the value of the retirement pension accrued by the contributor or pensioner during the period of cohabitation. If the parliamentarian's benefits are not vested, the maximum transferable amount corresponds to half the parliamentarian's contributions made during the period subject to division, accumulated with interest at the rate applicable on a refund of contributions. The benefits of the contributor or pensioner are then reduced accordingly.

A.4.22 Suspension of Allowance

An allowance payable to a pensioner is suspended for the whole month during any part of which such person is a Senator or a Member of the House of Commons.

A.4.23 Double-Dipping Provision

Where a pensioner in receipt of a pension under this Plan also receives remuneration of at least \$5,000 in any one-year period as a federal Government employee or pursuant to a federal service contract, the aggregate of all retirement allowances under the MPRAA to that pensioner in that year shall be reduced by one dollar for each dollar of such remuneration received in that year.

A.4.24 Rate of Interest for Lump Sum Calculations

The rate of interest used in calculating lump sum repayments of prior service contributions is prescribed by regulation (currently 4% per annum).

Appendix B — Contribution Rates

The current service costs are borne jointly by the parliamentarians and the Government. Parliamentarians make required contributions in accordance with the applicable required contribution rate with the Government covering the balance of the current service cost. Since 1 January 2016, the contribution rates are set by the Chief Actuary with the objective that the total amount of contributions to be paid by members will represent 50% of the current service cost of the Plan.

The following tables show the contribution rates for parliamentarians (including the Prime Minister) not having reached the maximum pension accrual defined under the MPRAA for calendar years 2021, 2022 and 2023. For illustrative purposes, the contribution rates for calendar year 2020 are also presented.

Table 20 Parliamentarians' Contribution Rates (before reaching maximum pension accrual)
(as a % of pensionable payroll)

MPRA						
Under Age 71						
Calendar Year	Below YMPE	YMPE to MPE	Above MPE	Combined ¹	Age 71 and Above	Combined ²
2020 ³	11.30	14.43	0.00	11.50	0.00	10.94
2021	13.42	17.13	0.00	13.40	0.00	12.47
2022	13.62	17.39	0.00	13.59	0.00	12.47
2023	13.67	17.45	0.00	13.66	0.00	12.47
MPRCA						
Under Age 71						
Calendar Year	Below YMPE	YMPE to MPE	Above MPE	Combined ¹	Age 71 and Above	Combined ²
2020 ³	6.40	6.40	19.70	8.20	19.70	8.76
2021	7.55	7.55	23.34	9.94	23.34	10.87
2022	7.31	7.31	23.34	9.75	23.34	10.87
2023	7.26	7.26	23.34	9.68	23.34	10.87
TOTAL						
Under Age 71						
Calendar Year	Below YMPE	YMPE to MPE	Above MPE	Combined ¹	Age 71 and Above	Combined ²
2020 ³	17.70	20.83	19.70	19.70	19.70	19.70
2021	20.97	24.69	23.34	23.34	23.34	23.34
2022	20.94	24.70	23.34	23.34	23.34	23.34
2023	20.93	24.71	23.34	23.34	23.34	23.34

Upon reaching the maximum pension accrual defined under the MPRAA, members under the age of 71 will contribute 1% of pensionable earnings up to the MPE to the MPRA Account and 1% of pensionable earnings above the MPE to the MPRCA Account. Members ages 71 and above who have reached the maximum pension accrual will contribute 1% of pensionable earnings to the MPRCA Account.

¹ If expressed as a percentage of the pensionable payroll of members under the age of 71.

² If expressed as a percentage of the total pensionable payroll.

³ Fixed by the Chief Actuary in the Actuarial Report on the Plan as at 31 March 2016.

Appendix C — Recorded Account Balances

C.1 MPRA and MPRCA Accounts

Two accounts are maintained in the Public Accounts of Canada to record transactions under the Plan: the Members of Parliament Retiring Allowances (MPRA) Account and the Members of Parliament Retirement Compensation Arrangements (MPRCA) Account. No formal debt instrument has been issued to the Accounts by the government in recognition of the amounts therein.

The MPRA Account records the transactions related to the benefits payable under the Plan when these benefits are permitted under the *Income Tax Act* for registered pension plans. The MPRCA Account records the transactions related to the benefits payable under the Plan when the benefits exceed the limits established by the *Income Tax Act*.

At the end of each quarter, the Government credits interest on the balance of each account at the beginning of the quarter based on the rate prescribed in the MPRAA. Since 1 January 2013, the interest rate to be credited to the MPRA Account and the MPRCA Account is the effective quarterly rate derived from the valuation interest rate used in the most recently tabled valuation report. The interest rates credited during the intervaluation period are presented in the following table.

Table 21 Intervaluation Period - Credited Interest Rates	
Plan Year	Effective Quarterly Rate
2017	1.13%
2018 (first two quarters)	1.23%
2018 (last two quarters)	0.59%
2019	0.72%

The MPRCA Account is registered with the Canada Revenue Agency (CRA). Transactions are recorded annually between the MPRCA Account and the CRA either to debit a 50% refundable tax in respect of the net contributions and interest credits or to credit a reimbursement based on the net benefit payments.

The following tables show the reconciliation of the recorded balances in the MPRA and MPRCA Accounts between the last valuation date and the current valuation date. Since the last valuation, the MPRA Account recorded balance has increased by \$57.6 million to reach \$559.9 million as at 31 March 2019, and the MPRCA Account recorded balance has decreased by \$46.0 million to reach \$202.6 million as at 31 March 2019.

Table 22 Reconciliation of Recorded Balances in the MPRA Account
(\$ millions)

Plan Year	MPRA Account			
	2017	2018	2019	2017-2019
Opening Balance	502.3	509.5	557.5	502.3
RECEIPTS AND OTHER CREDITS				
Member Contributions	5.6	8.0	8.0	21.6
Government Contributions	7.8	8.0	8.0	23.8
Interest	22.9	20.8	15.4	59.1
Actuarial adjustment	0.0	40.7	0.0	40.7
<i>Subtotal</i>	36.3	77.5	31.4	145.2
PAYMENTS AND OTHER CHARGES				
Annual Allowances	28.5	29.3	29.0	86.8
Return of Contributions	0.2	0.1	0.0	0.3
Pension Division Payments	0.4	0.1	0.0	0.5
<i>Subtotal</i>	29.1	29.5	29.0	87.6
Closing Balance	509.5	557.5	559.9	559.9

Table 23 Reconciliation of Recorded Balances in the MPRCA Account
(\$ millions)

Plan Year	MPRCA Account			
	2017	2018	2019	2017-2019
Opening Balance	248.6	255.0	142.9	248.6
RECEIPTS AND OTHER CREDITS				
Member Contributions	6.7	6.7	7.1	20.5
Government Contributions	10.9	6.7	7.1	24.7
Interest	11.6	10.9	3.8	26.3
Refundable Tax Account-Transfer in	0.0	2.9	58.6	61.5
<i>Subtotal</i>	29.2	27.2	76.6	133.0
PAYMENTS AND OTHER CHARGES				
Actuarial adjustment	0.0	118.9	0.0	118.9
Annual Allowances	15.5	16.1	16.9	48.5
Return of Contributions	0.3	0.1	0.0	0.4
Pension Division Payments	0.6	0.1	0.0	0.7
Refundable Tax Account-Transfer out	6.4	4.1	0.0	10.5
<i>Subtotal</i>	22.8	139.3	16.9	179.0
Closing Balance	255.0	142.9	202.6	202.6

C.2 Refundable Tax Account

Transactions are recorded annually between the MPRCA Account and the CRA either to debit the 50% refundable tax in respect of the net contributions and interest credits, or to credit a reimbursement based on the net benefit payments. During the intervaluation period, the MPRCA Account recorded a net credit for the refundable tax to CRA of \$51.0 million. The recorded account balance of the Refundable Tax Account as at 31 March 2019 is \$201.7 million.

C.3 Sources of Recorded Account Balances Data

The Account entries shown in section C1 above were taken from the Public Accounts of Canada. In accordance with section 8 of the *Public Pensions Reporting Act*, the Office of the Comptroller General of the Treasury Board of Canada Secretariat provided a certification of the Account balances of the Plan as at 31 March 2019.

Appendix D — Membership Data

D.1 Sources of Membership Data

The Human Resources Directorate of the Senate provided seriatim records comprising of valuation data on Senators. The Pension Services Division of Public Service and Procurement Canada provided similar records for Members of the House of Commons and for the Prime Minister.

D.2 Validation of Membership Data

We performed certain 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.), salary levels, and pensions to survivors and pensioners.

Based on the omissions and discrepancies identified by these and other tests, appropriate adjustments were made to the basic data after consulting with the data provider.

D.3 Summary of Membership Data

The following tables, derived from the basic data, show pertinent information regarding parliamentarians, pensioners and survivors during the period from April 2016 to March 2019. Relevant detailed statistics on parliamentarians, pensioners and survivors are shown in Appendix G.

Table 24 Summary of Membership Data

	As at 31 March 2019	As at 31 March 2016
Parliamentarians		
Number	439	419
Average Sessional Indemnity and Additional Allowance for the Following Year	\$185,600	\$176,600
Average Age	56.2	53.9
Average Service	6.7	5.5
Pensioners In Pay		
Number	580	597
Average Annual Pension In Pay	\$69,800	\$64,200
Average Age	74.2	73.0
Deferred Pensioners		
Number	46	56
Average Annual Deferred Pension	\$58,100	\$51,300
Average Age	49.0	47.6
Eligible Surviving Spouses		
Number	174	155
Average Annual Pension	\$36,700	\$33,800
Average Age	80.1	79.7
Eligible Surviving Children		
Number	3	5
Average Annual Pension	\$7,500	\$8,400

Table 25 Reconciliation of Membership

	Parliamentarians	Pensioners In Pay	Deferred Pensioners	Surviving Spouses	Surviving Children
As at 31 March 2016	419	597	56	155	5
Data corrections				4	
New parliamentarians	64				
Return to Parliament					
Terminations					(4)
Annual immediate allowances	(32)	45	(13)		
Annual deferred allowances	(4)		4		
Lump sum benefit	(4)				
Emerging survivors				35	
Emerging surviving children					2
Deaths	(4)	(62)	(1)	(20)	
As at 31 March 2019	439	580	46	174	3

Appendix E — Methodology

E.1 Recorded Account Balances

The recorded account balances consist of the balance in the MPRA and MPRCA Accounts, the Refundable Tax Account recorded by the Canada Revenue Agency and the present value, discounted in accordance with the actuarial assumptions, of all future parliamentarians' contributions and Government credits in respect of prior service elections. The Accounts record the transactions for the Plan, meaning that no debt instrument has been issued to the Accounts by the government in recognition of the amounts therein.

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 parliamentarians' remuneration. The yearly maximum salary cap and other benefit limits under the *Income Tax Act* described in Appendix A were taken into account to determine the benefits payable under the MPRA Account and those payable under the MPRCA Account.

E.2.1 Current Service Cost

Under the *projected accrued benefit actuarial cost method*, the current service cost, also called normal cost, computed in respect of a given year is the sum of the value, discounted in accordance with the actuarial assumptions, of all future payable benefits considered to accrue in respect of that year's service.

Under this method, the current service cost for an individual member will increase each year as the member approaches retirement. However, 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 and service of the total population remains constant.

The government current service cost is the total current service cost reduced by the members' contributions. In accordance with the MPRAA, since 1 January 2016, the parliamentarians' contribution rates are set by the Chief Actuary. In fixing contribution rates, the Chief Actuary's objective is to ensure that the members' contributions account for 50% of the current service costs.

To avoid fluctuations in the parliamentarians' contribution rates over the period covered by this report that arise due to the use of select and ultimate valuation interest rates, the methodology to determine the current service costs was adjusted for this report. The current service costs for plan years 2021 to 2024 were established as the constant values (as a percentage of pensionable payroll) that produce the same expected actuarial liabilities as at 31 March 2024 as obtained without adjustments. As required, the members' contributions determined with this adjusted methodology will account for 50% of the current service cost in each of the years covered by this valuation report.

E.2.2 Actuarial Liability

The actuarial liability with respect to parliamentarians 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 of future payable benefits discounted in accordance with the actuarial assumptions.

E.2.3 Actuarial Excess (Shortfall)

The actuarial excess or shortfall is the difference between the recorded account balances and the actuarial liability. If the President of the Treasury Board is of the opinion, based on actuarial advice, that the recorded account balances are in excess of the actuarial liabilities for one or both of the Accounts, there may be debited from that (those) Account(s), at the time and in the manner determined by the President, an amount specified by the President. Conversely, if an actuarial shortfall is identified, the MPRA and MPRCA Accounts must be credited with such amounts which, in the opinion of the President of the Treasury Board on the basis of actuarial advice, will be necessary to meet the total costs of all allowances and other benefits payable under the Plan.

E.2.4 Government Contributions

The government contribution corresponds to the sum of:

- the government current service cost;
- the government contributions for prior service; and
- as applicable, special credits/debits in respect of an actuarial shortfall/excess.

E.2.5 Hypothetical Wind-up Valuation

The government is responsible for the payment of accrued pension benefits. As such, the likelihood of the plan being wound-up and its obligations not fulfilled is practically non-existent. Additionally, the MPRAA does not define the benefits payable upon wind-up. Therefore, a hypothetical wind-up valuation has not been performed.

E.3 Membership Data

For valuation purposes, individual data on each parliamentarian were used.

The member data shown in Appendices D and G were provided as at 31 March 2019. This valuation is based on the member data as at the valuation date.

Appendix F — Actuarial Assumptions

All assumptions used in this report are best-estimate assumptions which reflect our best judgement of the future long-term experience of the Plan and do not include margins for adverse deviations. We have reflected the impacts of the COVID-19 pandemic on the economic assumptions used in this report are based on the information known at the time the report is prepared.

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 2016, the Bank of Canada and the Government renewed their commitment to keep inflation between 1% and 3% until the end of 2021. In this report, to reflect recent experience and the expected impact of the COVID-19 pandemic, it is assumed that the level of inflation will decrease from 2.0% in plan year 2020 to 1.0% in plan year 2021 before reaching its ultimate level of 2.0% in plan year 2022.

F.1.2 Pension Indexing

The year's pension indexing factor was derived by applying the indexation formula described in Appendix A, which relates to the assumed Consumer Price Index increases over successive 12-month periods ending on 30 September.

F.2 Employment Earnings Increase

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

The assumed increase in the YMPE for a given calendar year is derived, in accordance with the Canada Pension Plan, to correspond to the increase in the average weekly earnings (AWE), as calculated by Statistics Canada, over successive 12-month periods ending on 30 June. The increase in the AWE, and thus the increase in the YMPE, is deemed to include a component for seniority and promotional increases. The YMPE is equal to \$57,400 for calendar year 2019 and \$58,700 for calendar year 2020. Future increases in the YMPE correspond to the assumed real¹ increase in the AWE plus assumed increases in the CPI.

The real-wage differential is developed taking into account historical trends, a possible labour shortage and an assumed moderate economic growth for Canada. Thus, a real-wage differential of 0.5% is assumed for plan year 2021, and is assumed to gradually increase to the ultimate assumption of 1.0% by plan year 2026 (1.1% by 2024 in the previous valuation). The ultimate real-wage differential assumption combined with the ultimate price increase assumption results in an assumed annual increase in nominal wages of 3.0% in 2026 and thereafter. Thus, the ultimate rate of increase for the YMPE is 3.0%, resulting from a 1.0% increase in the real AWE and a 2.0% increase in the CPI.

¹ Note that all of the real rates of return referred to in this report are real-return differentials.

F.2.2 Parliamentarians Remuneration Increase

The annual sessional indemnity that shall be paid for each plan year subsequent to the 2004 plan year is defined by legislation. The future annual sessional indemnity for members of the House of Commons is the sessional indemnity for the previous plan year plus the amount obtained by multiplying that sessional indemnity by an index. This index is the average percentage increase in base-rate wages resulting from major settlements negotiated with bargaining units of 500 or more employees in the private sector in Canada.

For the period 2006-2020¹, the actual annual increases in the sessional indemnity were, on average, 0.4% less than the YMPE increases. Therefore, sessional indemnity increases for members of the House of Commons are assumed to be, ultimately, 0.4% less than the increases in the YMPE (same as in the previous valuation).

The sessional indemnity for the Senators is assumed to be the sessional indemnity of the members of the House of Commons minus \$25,000.

Additional allowances payable to members of the House of Commons and Senators are assumed to increase at the same rate as the sessional indemnity.

F.2.3 Maximum Pensionable Earnings (MPE) Increase

The MPE is part of the valuation process since the benefits accrued in relation to pensionable earnings in excess of the MPE are provided through the MPRCA Account. Since the Plan is coordinated with the Canada Pension Plan, the MPE is derived from both the maximum annual pension accrual under a registered defined benefit plan and the YMPE. The maximum annual pension accrual of \$3,025.56 for calendar year 2019 will increase to \$3,092.22 for calendar 2020, in accordance with *Income Tax Regulations*. Thereafter, it is assumed that the maximum annual pension accrual increases in accordance with the increase in the YMPE.

The Coordination Factor² in the MPRA Account is 0.266%. The MPE is therefore \$159,000 for calendar year 2019 and \$162,500 for calendar year 2020.

F.3 Valuation Interest Rates

Valuation interest rates are required for the computation of the present value of benefits to determine the Plan's actuarial liabilities and the current service costs. Since benefits paid from the MPRA Account and the MPRCA Account are paid with borrowed money (i.e. there are no invested assets), the actuarial liabilities and current service costs are valued using the government's long term cost of borrowing.

The government's real cost of borrowing is equal to the new money rate less the assumed rate of inflation. 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.

Recognizing recent experience and the expected impact of the COVID-19 pandemic, the annual real yield on 10-year-plus federal bonds is assumed to be (0.4)% in plan year 2020, 0.3% in 2021, (0.4)% in 2022 and then is assumed to increase gradually to its ultimate level of 2.5% first attained in plan year

¹ Excluding the years in which the sessional indemnity was frozen at \$157,731.

² See note A.4.8.

2036. The ultimate real yield was 2.7% in the previous valuation.

The resulting assumed valuation interest rate in plan year 2019 is 1.6%, gradually increasing to its ultimate value of 4.5% in plan year 2036. For purpose of calculating the liability as at 31 March 2019 using the variable valuation interest rate is equivalent to using a flat discount rate of 3.1%.

F.4 Summary of Economic Assumptions

The economic assumptions used in this report are summarized in the following table.

Plan Year	Inflation		Employment Earnings Increase			Interest
	CPI Increase ²	Pension Indexing ³	YMPE ³	MPE ³	Remuneration for House of Commons members ⁴	Valuation rate
2020	2.0	2.0	2.3	2.2	1.9	1.6
2021	1.0	1.3	1.5	1.5	2.1	1.3
2022	2.0	1.8	2.6	2.6	2.2	1.6
2023	2.0	2.0	2.7	2.7	2.3	1.7
2024	2.0	2.0	2.8	2.8	2.4	2.0
2025	2.0	2.0	2.9	2.9	2.5	2.4
2026	2.0	2.0	3.0	3.0	2.6	2.7
2027	2.0	2.0	3.0	3.0	2.6	2.9
2028	2.0	2.0	3.0	3.0	2.6	3.1
2029	2.0	2.0	3.0	3.0	2.6	3.3
2030	2.0	2.0	3.0	3.0	2.6	3.5
2031	2.0	2.0	3.0	3.0	2.6	3.7
2032	2.0	2.0	3.0	3.0	2.6	3.9
2033	2.0	2.0	3.0	3.0	2.6	4.1
2034	2.0	2.0	3.0	3.0	2.6	4.3
2035	2.0	2.0	3.0	3.0	2.6	4.4
2036+	2.0	2.0	3.0	3.0	2.6	4.5

¹ Bold denotes actual figures.

² Assumed to be effective during the plan year.

³ Assumed to be effective as at 1 January.

⁴ Assumed to be effective at 1 April (e.g. 1 April 2019 for 2020 plan year). Members of the Senate remuneration is derived by applying the formula described in Appendix A.

As a reference, for the period ending December 2018, the following table was prepared based on the Canadian Institute of Actuaries Report on Canadian Economic Statistics 1924-2018.

Table 27 Canadian Institute of Actuaries - Canadian Economic Statistics 1924-2018

Period of Years Ending December 2018	15	25	50
Level of Inflation	1.7%	1.8%	4.0%
Real Increases in Average Earnings	0.7%	0.4%	0.7%
Real Yield of Long-Term Canada Bonds	1.5%	2.7%	3.1%
Real Return on Long-Term Canada Bonds	4.0%	5.0%	4.2%

F.5 Demographic Assumptions

Except where otherwise noted, all demographic assumptions were determined from the Plan's own experience as was done in the past. Assumptions of the previous valuation were updated to reflect past experience to the extent that it was deemed credible.

F.5.1 New Parliamentarians

For the members of the House of Commons, the number of future new entrants was determined so that the number of 334 members at 31 March 2019 increases to 338 at 31 March 2020 and remains at 338 in each of the future years. For the Senate, it is assumed that the number of members at 31 March 2019 of 105 would remain constant in the future.

The assumed age distribution of the new members of both the House of Commons and the Senate is based on the Plan's 2000-2019 experience, resulting in no change from prior valuation.

F.5.2 Parliamentarians Receiving Additional Allowance

Some parliamentarians, in addition to their sessional indemnity, receive an additional allowance in their capacity as Minister, Speaker, Leader of Opposition and so forth. For this review, any member receiving an additional allowance at the valuation date is deemed to continue to receive it for as long as he or she remains a parliamentarian. This assumption was retained from the preceding actuarial review.

F.5.3 Rates of Termination

Termination means withdrawing with a return of contributions or retiring (excluding disability retirement) and receiving a life annuity in accordance with the provisions of the Plan.

- **Members of the House of Commons**

The termination rates for members of the House of Commons are blended termination rates, based on a level probability of election of 0.3 every year, implying that general elections are called every 3.3 years on average. This is consistent with the analysis of recent historical data, while taking into account that the statute provides for general elections to be held every four years.

Table 28 Average Duration of Governments over the Past Ten Elections

Start Date	End Date	Duration (years)	Duration (Capped at 4 years)
4-Sep-84	21-Nov-88	4.2	4.0
21-Nov-88	25-Oct-93	4.9	4.0
25-Oct-93	2-Jun-97	3.6	3.6
2-Jun-97	27-Nov-00	3.5	3.5
27-Nov-00	28-Jun-04	3.6	3.6
28-Jun-04	23-Jan-06	1.6	1.6
23-Jan-06	14-Oct-08	2.7	2.7
14-Oct-08	2-May-11	2.5	2.5
2-May-11	19-Oct-15	4.5	4.0
19-Oct-15	21-Oct-19	4.0	4.0
Average		3.5	3.3

The blended termination rates reflect that when an election occurs, approximately 30% of active members are not re-elected, and that approximately 1.5% of active members terminate in non-election years. Furthermore, analysis of historical data shows that termination rates are higher at older ages. The termination rates by age were determined based on an analysis of historical data from 2000 to 31 March 2019. They remain unchanged since the previous valuations. The impact of the 2019 election has not been reflected.

- Senators**

Termination rates for Senators remained unchanged from the previous valuation. The probability of termination is assumed to be zero for Senators with service of less than five years. For Senators with longer service, the termination rates are based on the historical experience over the last 20 years. As Senators must leave the Senate by age 75, the termination rate for this age is set to one.

Table 29 Rates of Termination

Age	Members of the House of Commons	Senators with over Five Years of Service
Less than 40	0.06	0.015
40-54	0.07	0.015
55-59	0.09	0.015
60-69	0.15	0.015
70-74	0.20	0.015
75	1.00	1.000

F.5.4 Mortality Rates and Longevity Improvement Factors

Mortality rates for parliamentarians, pensioners and surviving spouses remained unchanged from the previous valuation. Given the small size of the population, the available data is not sufficient to build a credible mortality experience study. In the absence of credible Plan experience, it was decided to use the mortality rates of the 2014 Canadian Pensioners Mortality Table (CPM2014) as a starting point. These mortality rates were developed from combined experience exhibited under public and private sector plans published by the Canadian Institute of Actuaries. Pension size adjustment factors were applied to the CPM2014 base mortality rates for parliamentarians and pensioners to reflect the correlation between pension amounts and life expectancy. The weighted average adjustments are 0.82 and 0.93 for males and females respectively. No size adjustment was applied to the mortality rates for surviving spouses.

The mortality rates are projected from 2014 using the mortality improvement scale CPM Improvement Scale B (CPM-B). The CPM-B was published by the Canadian Institute of Actuaries and is based on the C/QPP study which reviewed trends of mortality experience since 1967. This is unchanged since the previous valuation.

A sample of the resulting mortality rates for plan year 2020 is shown in the table below. The following two tables provide a sample of the mortality improvement factors and the calculated life expectancies based on the mortality assumption described above.

Table 30 Mortality Rates for Plan Year 2020
(per 1,000 individuals)

Age	Parliamentarians and Pensioners		Surviving Spouses	
	Male	Female	Male	Female
30	0.9	0.3	1.1	0.3
40	1.0	0.5	1.2	0.6
50	2.0	1.1	2.5	1.2
60	4.6	3.0	5.7	3.3
70	9.3	7.6	11.3	8.2
80	28.9	23.4	35.4	25.3
90	118.2	93.7	134.6	98.6
100	366.7	316.3	366.7	316.3
110	577.9	528.1	577.9	528.1

Table 31 Mortality Improvement Factors

Age	Initial and Ultimate Plan Year Mortality Rate Reductions (%) ¹			
	Male	Male	Female	Female
	2020	2030+	2020	2030+
40	1.78	0.80	1.16	0.80
50	1.16	0.80	0.98	0.80
60	1.74	0.80	1.23	0.80
70	2.03	0.80	1.35	0.80
80	1.93	0.80	1.35	0.80
90	0.75	0.48	0.75	0.48
100	0.15	0.30	0.15	0.30
110+	0.11	0.23	0.11	0.23

Table 32 Life Expectancy of Parliamentarians

Age	As at 31 March 2019		As at 31 March 2033	
	Male	Female	Male	Female
60	28.4	29.9	29.1	30.6
65	23.7	25.2	24.4	25.8
70	19.2	20.6	19.9	21.2
75	14.9	16.2	15.5	16.8
80	10.9	12.1	11.4	12.6
85	7.5	8.5	7.9	8.9
90	4.8	5.7	5.0	5.9

F.5.5 Family Composition

The assumed proportions of members leaving, upon death, a spouse eligible for a survivor pension and the age of the survivor spouse are unchanged from the previous valuation.

Table 33 Assumptions for the Survivor Allowance to Spouses

Number of members with an eligible spouse at death (per 1,000 member deaths)

Age	Number		Average Age of Survivor	
	Male	Female	Male	Female
30	498	622	29	31
40	638	622	39	43
50	811	622	47	53
60	850	610	57	62
70	802	538	67	71
80	674	401	75	79
90	446	221	83	86
100	192	77	89	91
110	45	15	94	95

¹ The mortality rate reduction applicable during the select period is found by linear interpolation between the figures for plan years 2020 and 2030.

Assumptions with respect to the number of eligible children and their age are unchanged from the previous valuation. It was assumed that each member who had an eligible spouse at time of death had three children being 28, 30 and 32 years younger than the member, respectively. The payment of an allowance to a child between ages 18 and 25 is conditional on the child attending school full-time. It was assumed that all child beneficiaries would remain eligible for benefits until age 25 irrespective of school attendance status. The effect of mortality was not taken into account in determining the value of pensions payable to eligible children given that it would be negligible.

F.6 Other Assumptions

F.6.1 Pension Benefits Division / Optional Survivor Benefit

Pension benefits divisions have almost no effect on the valuation results because the corresponding actuarial liability is reduced, on average, by roughly the amount debited from the Accounts to the credit of the former survivor. Consequently, no future pension benefits divisions were assumed in estimating current service costs and actuarial liabilities. However, past pension benefits divisions were fully reflected in the actuarial liabilities.

The optional survivor benefit gives a member who has an eligible spouse after retirement the right to make an election, within the prescribed period of time, for a survivor benefit. However, the member must accept an actuarially determined reduction in pension for as long as both the survivor and the union survive. The optional survivor benefit was treated in the same manner as pension benefits division for the same reason.

F.6.2 Double-Dipping Provision

Any retirement allowance reduced due to the double-dipping provision (see Note A.4.23) is assumed to resume at the valuation date.

No future double-dipping was assumed in estimating current service costs and actuarial liabilities.

F.6.3 Administrative Expenses

To compute the actuarial liabilities and current service costs, no provision was made regarding the expenses incurred for the administration of the Plan. These expenses, which are not charged to the MPRA or MPRCA Accounts, are borne entirely by the Government.

F.6.4 Disability incidence

Disability incidence was not taken into account in this valuation. The effect of the omission of disability incidence on valuation results was considered negligible.

Appendix G — Detailed Membership Data

Table 34 Reconciliation of Parliamentarians

	House of Commons			Senate		
	Male	Female	Total	Male	Female	Total
Parliamentarians as at 31 March 2016	248	89	337	52	30	82
Data corrections	-	-	-	-	-	-
New entrants	9	7	16	19	29	48
Return to Parliament	-	-	-	-	-	-
Terminations with an immediate allowance	(7)	(1)	(8)	(14)	(10)	(24)
Terminations with a deferred allowance	(3)	(1)	(4)	-	-	-
Terminations with a lump sum benefit	(2)	(2)	(4)	-	-	-
Deaths	(3)	-	(3)	(1)	-	(1)
Parliamentarians as at 31 March 2019	242	92	334	56	49	105

Table 35 Reconciliation of Pensioners In Pay

	House of Commons			Senate		
	Male	Female	Total	Male	Female	Total
Pensioners in Pay as at 31 March 2016	422	91	513	58	26	84
Data corrections	-	-	-	-	-	-
New entitlements	19	2	21	14	10	24
Deaths	(41)	(4)	(45)	(15)	(2)	(17)
Return to Parliament	-	-	-	-	-	-
Pensioners in Pay as at 31 March 2019	400	89	489	57	34	91

Table 36 Reconciliation of Deferred Pensioners

	House of Commons			Senate		
	Male	Female	Total	Male	Female	Total
Deferred Pensioners as at 31 March 2016	47	9	56	-	-	-
New entitlements to a deferred allowance	3	1	4	-	-	-
New entitlements to an immediate allowance	(12)	(1)	(13)	-	-	-
Deaths	(1)	-	(1)	-	-	-
Deferred Pensioners as at 31 March 2019	37	9	46	-	-	-

Table 37 Reconciliation of Surviving Spouses

	House of Commons			Senate		
	Male	Female	Total	Male	Female	Total
Surviving spouses as at 31 March 2016	3	111	114	-	41	41
Data corrections	-	4	4	-	-	-
New entitlements	2	23	25	1	9	10
Deaths	(1)	(15)	(16)	-	(4)	(4)
Surviving spouses as at 31 March 2019	4	123	127	1	46	47

Table 38 Members of the House of Commons - Sessional Indemnity for the Following Year

As at 31 March 2019

Age	Completed Years of Service										All Years of Service
	Male					Female					
	0-4	5-9	10-14	15-19	20+	0-4	5-9	10-14	15-19	20+	
25-29	1	1				1					3
30-34	13	1				6	1				21
35-39	17		2			5	3	1			28
40-44	13	2	6			8					29
45-49	24	4	5			13	1				47
50-54	23	3	6	2		9	2	3			48
55-59	28	7	10	2	1	12	2	1	1		64
60-64	17	2	7	4		8	3	4			45
65-69	9	4	7		4	1		3		1	29
70-75	6		4		3			1	1		15
75+	1		2		1					1	5
All Ages	152	24	49	8	9	63	12	13	2	2	334

	Male	Female
Average Age:	53.8	51.8
Sessional Indemnity:	\$178,900	\$178,900
Average Pensionable Service:	7.0	5.6

Table 39 Senators - Sessional Indemnity for the Following Year

As at 31 March 2019

Age	Completed Years of Service										All Years of Service
	Male					Female					
	0-4	5-9	10-14	15-19	20+	0-4	5-9	10-14	15-19	20+	
40-44			1								1
45-49						1	1				2
50-54		1	2			4		1			8
55-59	3	2				4	2				11
60-64	7	1	1	1		7			1		18
65-69	9	5	4	1		10	5	1	2		37
70-75	1	8	3	4	2	3	2	4		1	28
All Ages	20	17	11	6	2	29	10	6	3	1	105

	Male	Female
Average Age:	66.6	64.4
Sessional Indemnity:	\$153,900	\$153,900
Average Pensionable Service:	7.7	5.8

Table 40 Additional Allowances Recipients - House of Commons

Number and Average Annual Additional Allowances for the Following Year - As at 31 March 2019

Age	Completed Years of Service								All Years of Service
	Male				Female				
	0-4	5-9	10-14	15 +	0-4	5-9	10-14	15 +	
< 35	6	2			3	1			12
	\$11,000	\$9,300			\$62,800	\$17,500			\$24,200
35-39	5		2		2	2			11
	\$28,800		\$45,900		\$11,900	\$6,200			\$24,700
40-44	5	2	3		4				14
	\$30,100	\$19,100	\$45,000		\$33,200				\$32,600
45-49	14	3	1		8				26
	\$28,600	\$8,300	\$178,900		\$47,400				\$37,800
50-54	11	2	4	2	3	2	2		26
	\$25,900	\$9,300	\$26,000	\$45,900	\$59,100	\$51,500	\$64,900		\$35,000
55-59	10	4	5	2	8	1	1		31
	\$35,900	\$11,900	\$16,100	\$49,000	\$30,400	\$6,200	\$6,200		\$27,100
60-64	5	2	6	2	6	1	3		25
	\$27,800	\$12,400	\$15,600	\$15,000	\$27,100	\$6,200	\$13,700		\$19,900
65 +	2	2	6	6			2	3	21
	\$45,900	\$9,300	\$23,600	\$36,800			\$6,200	\$36,800	\$28,300
All ages	58	17	27	12	34	7	8	3	166
	\$28,200	\$11,200	\$30,600	\$36,700	\$38,500	\$20,800	\$23,700	\$36,800	\$29,200

	Male	Female
Average Age:	53.3	53.0
Average Service in Parliament:	8.2	6.0
Average Additional Allowance:	\$27,100	\$33,700

Table 41 Additional Allowances Recipients - Senate
 Number and Average Annual Additional Allowances for the Following Year - As at 31 March 2019

Age	Completed Years of Service								All Years of Service
	Male				Female				
	0-4	5-9	10-14	15 +	0-4	5-9	10-14	15 +	
45-49					1	1			2
					\$12,300	\$6,100			\$9,200
50-54			2				1		3
			\$12,300				\$25,600		\$16,700
55-59		2			2				4
		\$6,600			\$9,200				\$7,900
60-64	2	1	1	1	2				7
	\$9,200	\$12,400	\$6,100	\$12,400	\$12,400				\$10,600
65 +	4	7	3	7	5	5	3	3	37
	\$27,500	\$12,500	\$10,200	\$17,700	\$8,600	\$13,000	\$14,700	\$8,200	\$14,300
All ages	6	10	6	8	10	6	4	3	53
	\$21,400	\$11,300	\$10,200	\$17,000	\$9,800	\$11,800	\$17,400	\$8,200	\$13,300

	Male	Female
Average Age:	66.9	65.9
Average Service in Parliament:	10.3	7.9
Average Additional Allowance:	\$14,600	\$11,500

Table 42 Male Pensioners In Pay- House of Commons¹
Average Annual Retirement Allowances (Dollars)

Age	MPRA Account				MPRCA Account					
	Number	Up to Age 60	Number	From Age 60 ²	Number	Up to Age 55	Number	From 55 to 60	Number	From Age 60 ²
50-54	-	-	1	*	1	*	1	*	1	*
55-59	1	*	26	29,906	-	-	26	54,395	26	35,448
60-64	-	-	48	32,376	-	-	-	-	47	29,109
65-69	-	-	61	42,492	-	-	-	-	61	35,353
70-74	-	-	91	39,661	-	-	-	-	81	30,526
75-79	-	-	85	49,298	-	-	-	-	72	25,727
80-84	-	-	49	50,995	-	-	-	-	36	23,666
85-89	-	-	26	62,100	-	-	-	-	16	22,666
90+	-	-	12	41,783	-	-	-	-	2	25,183
All ages	1	*	399	43,544	1	*	27	54,295	342	29,470

Male Pensioners In Pay:	400
Average Age:	73.4
Average Total Pension In Pay:	\$68,633

Table 43 Female Pensioners In Pay - House of Commons^{1,3}
Average Annual Retirement Allowances (Dollars)

Age	MPRA Account				MPRCA Account					
	Number	Up to Age 60	Number	From Age 60 ²	Number	Up to Age 55	Number	From 55 to 60	Number	From Age 60 ²
50-54	-	-	-	-	-	-	-	-	-	-
55-59	1	*	8	29,562	-	-	7	48,277	8	29,594
60-64	-	-	6	28,528	-	-	-	-	6	33,865
65-69	-	-	29	35,887	-	-	-	-	29	38,551
70-74	-	-	18	32,958	-	-	-	-	17	39,123
75-79	-	-	10	32,684	-	-	-	-	9	24,166
80-84	-	-	13	50,440	-	-	-	-	12	25,394
85-89	-	-	3	30,841	-	-	-	-	3	15,475
90+	-	-	2	63,860	-	-	-	-	-	-
All ages	1	*	89	36,454	-	-	7	48,277	84	33,234

Female Pensioners In Pay:	89
Average Age:	71.8
Average Total Pension In Pay:	\$67,821

¹ Certain values are obscured by an asterisk to protect the confidentiality of plan members.

² Deferred pensions from age 60 include indexation up to the valuation date.

³ Please note that some pensioners may have more than one entitlement.

Table 44 Male Deferred Pensioners - House of Commons
Average Annual Retirement Allowances (Dollars)

Age	MPRA Account		MPRCA Account			
	Number	From Age 60 ¹	Number	From 55 to 60	Number	From Age 60 ¹
<45	6	26,319	6	53,414	6	30,031
45-49	16	26,829	16	51,963	16	30,370
50-54	15	30,154	15	60,178	15	34,114
All ages	37	28,094	37	55,529	37	31,833

Male Deferred Pensioners: 37

Average Age: 49.0

Average Total Pension from Age 60: \$59,927

Table 45 Female Deferred Pensioners - House of Commons
Average Annual Retirement Allowances (Dollars)

Age	MPRA Account		MPRCA Account			
	Number	From Age 60 ¹	Number	From 55 to 60	Number	From Age 60 ¹
<45	-	-	-	-	-	-
45-49	5	22,353	5	40,128	5	22,252
50-54	4	22,816	4	54,579	4	34,910
All ages	9	22,559	9	46,551	9	27,878

Female Deferred Pensioners: 9

Average Age: 49.0

Average Total Pension from Age 60: \$50,437

¹ Deferred pensions from age 60 include indexation up to the valuation date.

Table 46 Male Pensioners In Pay - Senate

Average Annual Retirement Allowances (Dollars)

Age	MPRA Account		MPRCA Account	
	Number	From Age 60 ¹	Number	From Age 60 ¹
<75	9	40,899	9	25,367
75-79	18	53,602	18	34,757
80-84	19	53,295	19	27,133
85-89	7	55,517	7	20,590
90+	4	25,514	3	21,130
All ages	57	49,758	56	28,160

Male Pensioners In Pay: 57

Average Age: 79.9

Average Total Pension In Pay: \$77,424

Table 47 Female Pensioners In Pay - Senate

Average Annual Retirement Allowances (Dollars)

Age	MPRA Account		MPRCA Account	
	Number	From Age 60 ¹	Number	From Age 60 ¹
<75	4	50,394	4	35,486
75-79	16	44,406	16	35,444
80-84	8	50,950	8	36,154
85-89	4	23,511	4	23,089
90+	2	35,555	2	14,266
All ages	34	43,671	34	32,917

Female Pensioners In Pay: 34

Average Age: 80.7

Average Total Pension In Pay: \$76,588

¹ Deferred pensions from age 60 include indexation up to the valuation date.

Table 48 Survivors
Average Survivor Annual Allowances (Dollars)

Age Survivors	House of Commons				Senate			
	Number	MPRA Account	Number	MPRCA Account	Number	MPRA Account	Number	MPRCA Account
<60	8	23,694	6	24,491	3	43,187	2	8,033
60-64	4	17,744	4	25,337	3	43,995	2	15,635
65-69	10	20,709	9	19,141	3	29,792	3	6,953
70-74	14	26,581	8	13,722	5	38,233	3	5,965
75-79	21	36,277	9	11,393	4	52,590	3	2,772
80-84	23	29,722	14	8,850	11	29,741	10	14,295
85-89	27	24,678	7	5,865	8	28,362	8	8,461
90+	20	32,443	3	2,281	10	33,864	5	5,162
All Ages	127	28,349	60	13,411	47	35,003	36	9,190
Children	3	3,768	3	3,761	-	-	-	-

	House of Commons	Senate
Number	127	47
Average Age:	80	80
Average Total Pension:	\$34,685	\$42,042

Appendix H — Accrued Benefit Rates after 1 January 2016

Table 49 Accrual Rates and Retirement Allowances – Pensionable Earnings

When Contribution or Election Made	Annual Accrual Rate	Coordination with C/QPP	Type of Allowance
Accruing from 1 January 2016			
Service accrued when member is less than 71 years of age			
Contribution on pensionable earnings up to the earnings limit			
MPRA Account	2%	Yes	Reduced deferred allowance to age 60 ¹
	2%	Yes	Deferred allowance to age 65 ²
MPRCA Account	3%	No	Reduced temporary allowance from age 55 to 60 ¹
	1%	Yes	Reduced deferred allowance to age 60 ¹
	1%	Yes	Deferred allowance to age 65 ²
Contribution on pensionable earnings over the earnings limit			
MPRA Account	0%	No	None
	3%	No	Reduced temporary allowance from age 55 to 60 ¹
MPRCA Account	3%	Yes	Reduced deferred allowance to age 60 ¹
	3%	Yes	Deferred allowance to age 65 ²
Service accrued when member has reached 71 years of age			
MPRA Account	0%	No	None
MPRCA Account	3%	Yes	Immediate allowance

¹ Payable only if the member elects to start receiving a pension prior to age 65.

² Payable only when the member elects to start receiving a pension at or after age 65.

Appendix I — Contributions and Accrued Benefit Rates Prior to 2016

Table 50 Contributions - Sessional Indemnity - House of Commons

When Contribution Made	Up to the Earnings Limit	Over the Earnings Limit
On or after 1 January 2013 but before 1 January 2016		
Member is less than 71 years of age		
MPRA Account	4% per year until member accrues 75% benefits; 1% thereafter	0%
MPRCA Account		
2013	4% per year until member accrues 75% benefits; 0% thereafter	8% per year until member accrues 75% benefits; 1% thereafter
2014	5% per year until member accrues 75% benefits; 0% thereafter	9% per year until member accrues 75% benefits; 1% thereafter
2015	6% per year until member accrues 75% benefits; 0% thereafter	10% per year until member accrues 75% benefits; 1% thereafter
Member has reached 71 years of age		
MPRA Account	0%	0%
MPRCA Account		
2013	8% per year until member accrues 75% benefits; 1% thereafter	8% per year until member accrues 75% benefits; 1% thereafter
2014	9% per year until member accrues 75% benefits; 1% thereafter	9% per year until member accrues 75% benefits; 1% thereafter
2015	10% per year until member accrues 75% benefits; 1% thereafter	10% per year until member accrues 75% benefits; 1% thereafter
On or after 1 January 2001 but before 1 January 2013		
Member is less than 69 years of age		
MPRA Account	4% per year until member accrues 75% benefits; 1% thereafter	0%
MPRCA Account	3% per year until member accrues 75% benefits; 0% thereafter	7% per year until member accrues 75% benefits; 1% thereafter
Member has reached 69 years of age		
MPRA Account	0%	0%
MPRCA Account	7% per year until member accrues 75% benefits; 1% thereafter	7% per year until member accrues 75% benefits; 1% thereafter

Table 50 (con't) Contributions - Sessional Indemnity - House of Commons

When Contribution Made	Up to the Earnings Limit	Over the Earnings Limit
On or after 13 July 1995 but before 1 January 2001		
Member is less than 71 years of age		
MPRA Account	4% per year until member accrues 75% benefits; 1% thereafter	0%
MPRCA Account	5% per year until member accrues 75% benefits; 0% thereafter	9% per year until member accrues 75% benefits; 1% thereafter
Member has reached 71 years of age		
MPRA Account	0%	0%
MPRCA Account	9% per year until member accrues 75% benefits; 1% thereafter	9% per year until member accrues 75% benefits; 1% thereafter
On or after 1 January 1992 but before 13 July 1995		
Member is less than 71 years of age		
MPRA Account	4% per year until member accrues 75% benefits; 1% thereafter	0%
MPRCA Account	7% per year until member accrues 75% benefits; 0% thereafter	11% per year until member accrues 75% benefits; 1% thereafter
Member has reached 71 years of age		
MPRA Account	0%	0%
MPRCA Account	11% per year until member accrues 75% benefits; 1% thereafter	11% per year until member accrues 75% benefits; 1% thereafter
Before 1 January 1992		
MPRA Account	11% per year until member accrues 75% benefits; 1% thereafter	11% per year until member accrues 75% benefits; 1% thereafter
MPRCA Account	0%	0%

Table 51 Contributions - Additional Allowances - House of Commons

When Contribution Made	Up to the Earnings Limit	Over the Earnings Limit
On or after 1 January 2013 but before 1 January 2016		
Member is less than 71 years of age		
MPRA Account	0% per year until member accrues 75% benefits; 4% thereafter	0%
MPRCA Account		
2013	8% per year until member accrues 75% benefits; 4% thereafter	8% per year
2014	9% per year until member accrues 75% benefits; 5% thereafter	9% per year
2015	10% per year until member accrues 75% benefits; 6% thereafter	10% per year
Member has reached 71 years of age		
MPRA Account	0%	0%
MPRCA Account		
2013	8% per year	8% per year
2014	9% per year	9% per year
2015	10% per year	10% per year
On or after 1 January 2001 but before 1 January 2013		
Member is less than 69 years of age		
MPRA Account	0% per year until member accrues 75% benefits; 4% thereafter	0%
MPRCA Account	7% per year until member accrues 75% benefits; 3% thereafter	7% per year
Member has reached 69 years of age		
MPRA Account	0%	0%
MPRCA Account	7% per year	7% per year
On or after 13 July 1995 but before 1 January 2001		
Member is less than 71 years of age		
MPRA Account	4% per year	0%
MPRCA Account	5% per year	9% per year
Member has reached 71 years of age		
MPRA Account	0%	0%
MPRCA Account	9% per year	9% per year

Table 51 (cont'd) Contributions - Additional Allowances - House of Commons

When Contribution Made	Up to the Earnings Limit	Over the Earnings Limit
On or after 1 January 1992 but before 13 July 1995		
Member is less than 71 years of age		
MPRA Account	4% per year	0%
MPRCA Account	7% per year	11% per year
Member has reached 71 years of age		
MPRA Account	0% per year	0%
MPRCA Account	11% per year	11% per year
Before 1 January 1992		
MPRA Account	11% per year	11% per year
MPRCA Account	0%	0%

Table 52 Contributions - Prior Service - House of Commons

When Contribution Made	Up to the Earnings Limit	Over the Earnings Limit
On or after 1 January 2001 but before 1 January 2016		
MPRA Account	4% per year	0%
MPRCA Account	In accordance with regulations	In accordance with regulations
On or after 13 July 1995 but before 1 January 2001		
Member is less than 71 years of age		
MPRA Account	4% per year	0%
MPRCA Account	5% per year	9% per year
Member has reached 71 years of age		
MPRA Account	0%	0%
MPRCA Account	9% per year	9% per year
On or after 1 January 1992 but before 13 July 1995		
Member is less than 71 years of age		
MPRA Account	4% per year	0%
MPRCA Account	7% per year	11% per year
Member has reached 71 years of age		
MPRA Account	0%	0%
MPRCA Account	11% per year	11% per year
Before 1 January 1992		
MPRA Account	10% per year	10% per year
MPRCA Account	0%	0%

Table 53 Contributions - Sessional Indemnity - Senate

When Contribution Made	Up to the Earnings Limit	Over the Earnings Limit
On or after 1 January 2013 but before 1 January 2016		
Member is less than 71 years of age		
MPRA Account	4% per year until member accrues 75% benefits; 1% thereafter	0%
MPRCA Account		
2013	4% per year until member accrues 75% benefits; 0% thereafter	8% per year until member accrues 75% benefits; 1% thereafter
2014	5% per year until member accrues 75% benefits; 0% thereafter	9% per year until member accrues 75% benefits; 1% thereafter
2015	6% per year until member accrues 75% benefits; 0% thereafter	10% per year until member accrues 75% benefits; 1% thereafter
Member has reached 71 years of age		
MPRA Account	0%	0%
MPRCA Account		
2013	8% per year until member accrues 75% benefits; 1% thereafter	8% per year until member accrues 75% benefits; 1% thereafter
2014	9% per year until member accrues 75% benefits; 1% thereafter	9% per year until member accrues 75% benefits; 1% thereafter
2015	10% per year until member accrues 75% benefits; 1% thereafter	10% per year until member accrues 75% benefits; 1% thereafter
On or after 1 January 2001 but before 1 January 2013		
Member is less than 69 years of age		
MPRA Account	4% per year until member accrues 75% benefits; 1% thereafter	0%
MPRCA Account	3% per year until member accrues 75% benefits; 0% thereafter	7% per year until member accrues 75% benefits; 1% thereafter
Member has reached 69 years of age		
MPRA Account	0%	0%
MPRCA Account	7% per year until member accrues 75% benefits; 1% thereafter	7% per year until member accrues 75% benefits; 1% thereafter

Table 53 (cont'd) Contributions - Sessional Indemnity – Senate

When Contribution Made	Up to the Earnings Limit	Over the Earnings Limit
On or after 1 January 1992 but before 1 January 2001		
Member is less than 71 years of age		
MPRA Account	4% per year until member accrues 75% benefits; 1% thereafter	0%
MPRCA Account	3% per year until member accrues 75% benefits; 0% thereafter	7% per year until member accrues 75% benefits; 1% thereafter
Member has reached 71 years of age		
MPRA Account	0%	0%
MPRCA Account	7% per year until member accrues 75% benefits; 1% thereafter	7% per year until member accrues 75% benefits; 1% thereafter
Before 1 January 1992		
MPRA Account	7% per year until member accrues 75% benefits; 1% thereafter	7% per year until member accrues 75% benefits; 1% thereafter
MPRCA Account	0%	0%

Table 54 Contributions - Additional Allowances - Senate

When Contribution Made	Up to the Earnings Limit	Over the Earnings Limit
On or after 1 January 2013 but before 1 January 2016		
Member is less than 71 years of age		
MPRA Account	0% per year until member accrues 75% benefits; 4% thereafter	0%
MPRCA Account		
2013	8% per year until member accrues 75% benefits; 4% thereafter	8% per year
2014	9% per year until member accrues 75% benefits; 5% thereafter	9% per year
2015	10% per year until member accrues 75% benefits; 6% thereafter	10% per year
Member has reached 71 years of age		
MPRA Account	0%	0%
MPRCA Account		
2013	8% per year	8% per year
2014	9% per year	9% per year
2015	10% per year	10% per year

Table 54 (cont'd) Contributions - Additional Allowances - Senate

When Contribution Made	Up to the Earnings Limit	Over the Earnings Limit
On or after 1 January 2001 but before 1 January 2013		
Member is less than 69 years of age		
MPRA Account	0% per year until member accrues 75% benefits; 4% thereafter	0%
MPRCA Account	7% per year until member accrues 75% benefits; 3% thereafter	7% per year
Member has reached 69 years of age		
MPRA Account	0%	0%
MPRCA Account	7% per year	7% per year
On or after 13 July 1995 but before 1 January 2001		
Member is less than 71 years of age		
MPRA Account	4% per year	0%
MPRCA Account	5% per year	9% per year
Member has reached 71 years of age		
MPRA Account	0%	0%
MPRCA Account	9% per year	9% per year
On or after 1 January 1992 but before 13 July 1995		
Member is less than 71 years of age		
MPRA Account	4% per year	0%
MPRCA Account	7% per year	11% per year
Member has reached 71 years of age		
MPRA Account	0%	0%
MPRCA Account	11% per year	11% per year
Before 1 January 1992		
MPRA Account	11% per year	11% per year
MPRCA Account	0%	0%

Table 55 Contributions - Prior Service - Senate

When Contribution Made	Up to the Earnings Limit	Over the Earnings Limit
On or after 1 January 2001 but before 1 January 2016		
MPRA Account	4% per year	0%
MPRCA Account	In accordance with regulations	In accordance with regulations
On or after 1 January 1992 but before 1 January 2001		
Member is less than 71 years of age		
MPRA Account	4% per year	0%
MPRCA Account	3% per year	7% per year
Member has reached 71 years of age		
MPRA Account	0% per year	0%
MPRCA Account	7% per year	7% per year
Before 1 January 1992		
MPRA Account	6% per year	6% per year
MPRCA Account	0%	0%

Table 56 Accrual Rates and Retirement Allowances - Sessional Indemnity - House of Commons

When Contribution or Election Made	Annual Accrual Rate	Type of Allowance
Accruing from 1 January 2013 to 1 January 2016		
Service accrued when member is less than 71 years of age		
Contribution on sessional indemnity up to the earnings limit		
MPRA Account	2%	Deferred allowance to age 60
MPRCA Account	3%	Temporary allowance from age 55 to 60
	1%	Deferred allowance to age 60
Contribution on sessional indemnity over the earnings limit		
MPRA Account	0%	None
MPRCA Account	3%	Deferred allowance to age 55
Service accrued when member has reached 71 years of age		
MPRA Account	0%	None
MPRCA Account	3%	Immediate allowance
Accruing from 1 January 2001 to 1 January 2013		
Service accrued when member is less than 69 years of age		
Contribution on sessional indemnity up to the earnings limit		
MPRA Account	2%	Deferred allowance to age 60
MPRCA Account	3%	Temporary allowance from age 55 to 60
	1%	Deferred allowance to age 60
Contribution on sessional indemnity over the earnings limit		
MPRA Account	0%	None
MPRCA Account	3%	Deferred allowance to age 55
Service accrued when member has reached 69 years of age		
MPRA Account	0%	None
MPRCA Account	3%	Immediate allowance
Accruing from 13 July 1995 to 1 January 2001		
Service accrued when member is less than 71 years of age		
Contribution on sessional indemnity up to the earnings limit		
MPRA Account	2%	Deferred allowance to age 60
MPRCA Account	2%	Deferred allowance to age 60
	4%	Temporary allowance from age 55 up to age 60
Contribution on sessional indemnity over the earnings limit		
MPRA Account	0%	None
MPRCA Account	4%	Deferred allowance to age 55
Service accrued when member has reached 71 years of age		
MPRA Account	0%	None
MPRCA Account	4%	Immediate allowance

Table 56 (cont'd) Accrual Rates and Retirement Allowances - Sessional Indemnity - House of Commons

When Contribution or Election Made	Annual Accrual Rate	Type of Allowance
Accruing from 1 January 1992 to 13 July 1995		
Service accrued when member is less than 71 years of age		
Contribution on sessional indemnity up to the earnings limit		
MPRA Account	2%	Deferred allowance to age 60
	3%	Deferred allowance to age 60
MPRCA Account	5%	Temporary allowance up to age 60
Contribution on sessional indemnity over the earnings limit		
MPRA Account	0%	None
MPRCA Account	5%	Immediate allowance
Service accrued when member has reached 71 years of age		
MPRA Account	0%	None
MPRCA Account	5%	Immediate allowance
Accruing before 1 January 1992		
MPRA Account	5%	Immediate allowance
MPRCA Account	0%	None

Table 57 Accrual Rates and Retirement Allowances - Sessional Indemnity - Senate

When Contribution or Election Made	Annual Accrual Rate	Type of Allowance
Accruing from 1 January 2013 to 1 January 2016		
Service accrued when member is less than 71 years of age		
Contribution on sessional indemnity up to the earnings limit		
MPRA Account	2%	Deferred allowance to age 60
MPRCA Account	3%	Temporary allowance from age 55 to 60
	1%	Deferred allowance to age 60
Contribution on sessional indemnity over the earnings limit		
MPRA Account	0%	None
MPRCA Account	3%	Deferred allowance to age 55
Service accrued when member has reached 71 years of age		
MPRA Account	0%	None
MPRCA Account	3%	Immediate allowance
Accruing from 1 January 2001 to 1 January 2013		
Service accrued when member is less than 69 years of age		
Contribution on sessional indemnity up to the earnings limit		
MPRA Account	2%	Deferred allowance to age 60
MPRCA Account	3%	Temporary allowance from age 55 to 60
	1%	Deferred allowance to age 60
Contribution on sessional indemnity over the earnings limit		
MPRA Account	0%	None
MPRCA Account	3%	Deferred allowance to age 55
Service accrued when member has reached 69 years of age		
MPRA Account	0%	None
MPRCA Account	3%	Immediate allowance
Accruing from 13 July 1995 to 1 January 2001		
Service accrued when member is less than 71 years of age		
Contribution on sessional indemnity up to the earnings limit		
MPRA Account	2%	Deferred allowance to age 60
MPRCA Account	1%	Deferred allowance to age 60
	3%	Temporary allowance from age 55 up to age 60
Contribution on sessional indemnity over the earnings limit		
MPRA Account	0%	None
MPRCA Account	3%	Immediate allowance
Service accrued when member has reached 71 years of age		
MPRA Account	0%	None
MPRCA Account	3%	Immediate allowance

Table 57 (cont'd) Accrual Rates and Retirement Allowances - Sessional Indemnity - Senate

When Contribution or Election Made	Annual Accrual Rate	Type of Allowance
Accruing from 1 January 1992 to 13 July 1995		
Service accrued when member is less than 71 years of age		
Contribution on sessional indemnity up to the earnings limit		
MPRA Account	2%	Deferred allowance to age 60
MPRCA Account	1%	Deferred allowance to age 60
	3%	Temporary allowance up to age 60
Contribution on sessional indemnity over the earnings limit		
MPRA Account	0%	None
MPRCA Account	3%	Immediate allowance
Service accrued when member has reached 71 years of age		
MPRA Account	0%	None
MPRCA Account	3%	Immediate allowance
Accruing before 1 January 1992		
MPRA Account	3%	Immediate allowance
MPRCA Account	0%	None

Table 58 Accrual Rates and Retirement Allowances - Additional Allowances - Parliamentarians

When Contribution or Election Made	Annual Accrual Rate	Type of Allowance
Accruing from 1 January 2013 to 1 January 2016		
Service accrued when member is less than 71 years of age		
Contribution on additional allowances up to the earnings limit when member has accrued 75% of the sessional indemnity		
MPRA Account	2%	Deferred allowance to age 60
MPRCA Account	1%	Deferred allowance to age 60
In respect of contribution made to the MPRCA Account		
MPRA Account	0%	None
MPRCA Account	3%	Deferred allowance to age 55
Service accrued when member has reached 71 years of age		
MPRA Account	0%	None
MPRCA Account	3%	Immediate allowance
Accruing from 1 January 2001 to 1 January 2013		
Service accrued when member is less than 69 years of age		
Contribution on additional allowances up to the earnings limit when member has accrued 75% of the sessional indemnity		
MPRA Account	2%	Deferred allowance to age 60
MPRCA Account	1%	Deferred allowance to age 60
In respect of contribution made to the MPRCA Account		
MPRA Account	0%	None
MPRCA Account	3%	Deferred allowance to age 55
Service accrued when member has reached 69 years of age		
MPRA Account	0%	None
MPRCA Account	3%	Immediate allowance
Accruing from 13 July 1995 to 1 January 2001		
Service accrued when member is less than 71 years of age		
Portion of additional allowances greater than: earnings limit minus sessional indemnity		
MPRA Account	2%	Deferred allowance to age 60
MPRCA Account	2%	Deferred allowance to age 60
	4%	Temporary allowance from 55 to 60
Service accrued when member has reached 71 years of age		
MPRA Account	0%	None
MPRCA Account	4%	Immediate allowance
Portion of additional allowances greater than: earnings limit minus sessional indemnity		
MPRA Account	0%	None
MPRCA Account	4%	Deferred allowance to age 55

Table 58 (cont'd) Accrual Rates and Retirement Allowances - Additional Allowances - Parliamentarians

When Contribution or Election Made	Annual Accrual Rate	Type of Allowance
Accruing from 1 January 1992 to 13 July 1995		
Service accrued when member is less than 71 years of age		
Portion of additional allowances greater than: earnings limit minus sessional indemnity		
MPRA Account	2%	Deferred allowance to age 60
MPRCA Account	3%	Deferred allowance to age 60
	5%	Temporary allowance up to age 60
Portion of additional allowances lower than: earnings limit minus sessional indemnity		
MPRA Account	0%	None
MPRCA Account	5%	Immediate allowance
Service accrued when member has reached 71 years of age		
MPRA Account	0%	None
MPRCA Account	5%	Immediate allowance
Accruing before 1 January 1992		
MPRA Account	5%	Immediate allowance
MPRCA Account	0%	None

Appendix J — Acknowledgements

The Office of the Comptroller General of the Treasury Board of Canada Secretariat provided a certification of the Accounts' balances of the Plan as at 31 March 2019.

The Human Resources Directorate of the Senate and the Pension Services Division of Public Service and Procurement Canada provided relevant valuation input data on parliamentarians, pensioners and survivors.

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