

Public Service Death Benefit Account

Highlights

14th Actuarial Report
as at 31 March 2020

Office of the Superintendent of Financial Institutions
Office of the Chief Actuary

Main Findings

Financial Position (\$ millions)	
Account Balance	3,880
Liabilities (Paid-up Death Benefits and IBNR)	996
Actuarial Excess	2,884
Ratio of Actuarial Excess to Annual Benefit Payments	14.4
Projected Ratio in 2045	10.6

Membership	
Participants	522,104

Term Insurance Monthly Cost and Contributions (per \$1,000 of Coverage)	
Monthly cost	19.0 cents
Government contributions	1.8 cents
Participants contributions	15.0 cents

Message from the Chief Actuary

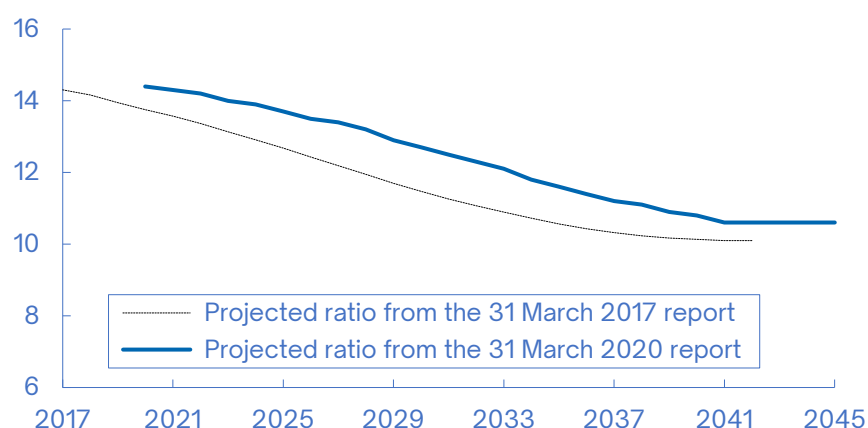
- The monthly cost is projected to decline over time due to lower mortality rates driven by mortality improvement.
- Persistent actuarial excess is mainly due to large interest credit accumulation.
- We reflected the impacts of the COVID-19 pandemic on the economic assumptions used in this report. The pandemic is a very fluid situation that will continue to evolve for some time. The final impacts will be reflected in future reports.

Key Assumptions

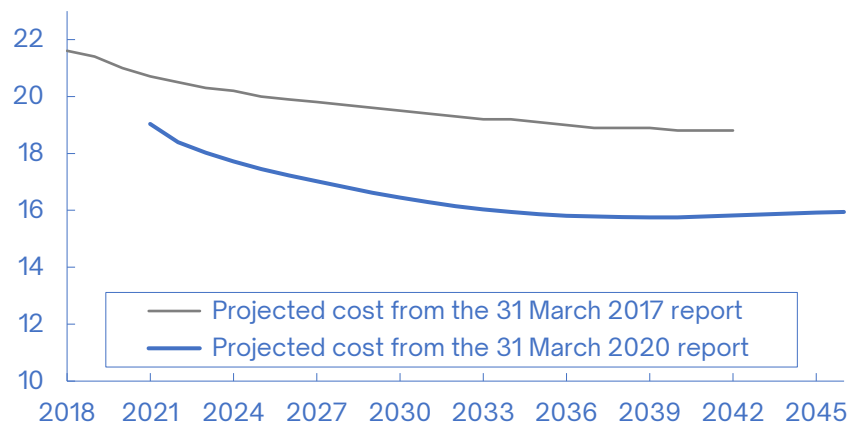
	Current	Previous
Ultimate real yield on the Account	2.1%	2.7%
Life expectancy at age 65 (in years)	2020	2036
Male	22.9	23.9
Female	24.6	25.5

Periods are from 1 April to 31 March

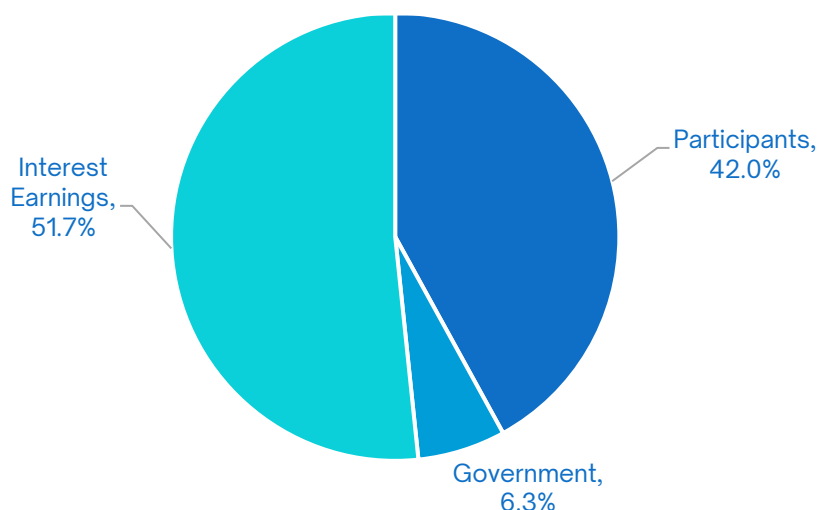
Projected Ratio of Actuarial Excess to Annual Benefit Payments



Projected Monthly Cost (Cents)



Account's Income Breakdown - 2020



Account's Income and Expenditures Projection (\$ million)

