



Office of the Superintendent of
Financial Institutions Canada

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Office of the Chief Actuary

Bureau de l'actuaire en chef

Special Actuarial Report

2024

on the financial position of the
Public Service Pension Fund

as at 31 March 2024

Canada 

Office of the Chief Actuary

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27 September 2024

The Honourable Anita Anand, P.C., MP.
President of Treasury Board
Ottawa, Canada
K1A 0R5

Dear Minister:

Pursuant to the request made under subsection 44.4 (5) of the *Public Service Superannuation Act*, I am pleased to submit the special actuarial report on the financial position of the Public Service Pension Fund as at 31 March 2024. This actuarial valuation is in respect of pension benefits which are defined by Parts I, III and IV of the *Public Service Superannuation Act* and the *Pension Benefits Division Act*.

Yours sincerely,

Assia Billig, FCIA, FSA
Chief Actuary

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1 Highlights of the report

Main findings as at 31 March 2024

Public Service Pension Fund (Service since 1 April 2000)	
Financial Position	➤ The actuarial value of the assets in respect of the Pension Fund is \$186,395 million.
	➤ The actuarial liability for service since 1 April 2000 is \$147,562 million.
	➤ The resulting actuarial surplus is \$38,833 million.
Funded ratio	➤ The funded ratio is 126.3%.

2 Introduction

This special actuarial report on the financial position of the Public Service Pension Fund (PSPF) was prepared pursuant to the request made by the President of Treasury Board under subsection 44.4 (5) of the *Public Service Superannuation Act* (PSSA). This special actuarial report also includes the sensitivity analyses of various salary adjustment scenarios requested by the President of Treasury Board.

This actuarial valuation is as at 31 March 2024 and is in respect of pension benefits defined by Parts I, III and IV of the PSSA and the *Pension Benefits Division Act* (PBDA).

This special report will not change the scheduled review dates of the statutory triennial actuarial reviews conducted in accordance with section 6 of the *Public Pensions Reporting Act* (PPRA). The most recent statutory triennial actuarial review was prepared as at 31 March 2023 and the next one is scheduled as at 31 March 2026.

2.1 Purpose of actuarial report

The purposes of this actuarial valuation are to:

- Confirm whether a non-permitted surplus exists within the PSPF as at 31 March 2024;
- Present the financial position of the PSPF as at 31 March 2024;
- Perform a short-term deterministic projection of the PSPF; and
- Perform the sensitivity analyses of various salary adjustment scenarios.

2.2 Scope of the report

This special report is based on membership data and actuarial assumptions from the statutory valuation as at 31 March 2023 as they relate to the PSPF and assets as at 31 March 2024. This special report does not include a cost certificate, and it does not include the financial position, nor a deterministic projection, nor sensitivity analyses of salary adjustment scenarios of the Superannuation Account, and the Retirement Compensation Arrangement No.1 and No.2 Accounts.

3 Valuation basis

3.1 Valuation inputs

This report is based on pension benefit provisions enacted by the legislation, summarized in Appendix A of the 20th Actuarial Report on the Pension Plan for the Public Service of Canada as at 31 March 2023 (20th actuarial report). The actuarial liability as at 31 March 2024 is projected from the 20th actuarial report using the method described in Appendix B of this report.

This valuation is based on PSPF invested assets that the government has earmarked for the payment of benefits for service since 1 April 2000.

The pension assets are summarized in Appendix A of this report.

3.2 Subsequent events

Certain occupational groups who promote the safety and security of Canadians are eligible to early retirement: retirement after 25 years of service without a pension reduction. The government has announced on 13 June 2024 its intent to expand this early pension eligibility for frontline and security workers under the PS pension plan. Since the details are not yet available and legislative changes have not been introduced yet, we have not reflected any of these potential changes in this report. Pursuant to section 4 of the PPRA, a report on an actuarial review of the PS pension plan could be required when the legislative changes are introduced.

The Pay Equity Act, which came into force on 31 August 2021, applies to all federally regulated employers with 10 employees or more. On 19 August 2024, the Pay Equity Commissioner has granted Treasury Board Secretariat the requested extension of 3 years to post a final pay equity plan for employees of Core Public Administrations by 31 August 2027. Since federal employers are at various steps of the pay equity process, the details of the expected changes to compensation are not known, and the impact of the implementation of the Pay Equity Act has not been considered in this report.

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

4 Projected valuation results

This report is based on the pension benefit provisions enacted by the legislation, summarized in Appendix A of the 20th actuarial report, and the membership data, summarized in Appendix D of the 20th actuarial report. The method of projection is described in Appendix B of this report. As such, there is no change to the cost of the plan presented in the 20th actuarial report.

4.1 PSSA – Financial position

Beginning on 1 April 2000, member and government contributions to the Public Sector Pension Plan (PSP) are credited to the PSPF, and the total amount of contributions net of benefits paid and administrative expenses is transferred to the Public Sector Pension Investment Board (PSP Investments) and invested in the financial markets.

This section presents the financial positions for the PSPF as at 31 March 2024. The results of the previous valuation are also shown for comparison.

Components of financial position	2024-03-31	2023-03-31
Assets		
Market value of assets	193,981	177,974
Actuarial smoothing adjustment ^a	(7,993)	(9,281)
Present value of prior service contributions	407	485
Total actuarial value of assets	186,395	169,178
Total actuarial liability	147,562	137,172
Actuarial surplus/(deficit)	38,833	32,006

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

As at 31 March 2024, the PSPF has a surplus of \$38,833 million and the funded ratio is 126.3%. As such, no special payments are required and there is a non-permitted surplus as defined by the subsection 44.4 (5) of the PSSA¹ of \$1,943 million.

¹ A non-permitted surplus exists when the amount by which the actuarial value of assets exceeds the liabilities is greater than 25 percent of the amount of liabilities.

4.2 Reconciliation of the changes in financial position

Table 2 shows the reconciliation of the changes in the financial position of the PSPF. Explanations of the items largely responsible for the changes follow the table.

Table 2 Reconciliation of financial position of the PSPF for plan year 2024 (in \$ millions)	
Components of reconciliation of the financial position	Actuarial surplus/(deficit)
Financial position as at 31 March 2023	32,006
Recognized investment gains or losses as at 31 March 2023	9,281
Revised financial position as at 31 March 2023	41,287
Expected interest on revised financial position	2,395
Net experience gains and (losses)	3,144
Revision of actuarial assumptions	0
Unrecognized investment gains or losses as at 31 March 2024	(7,993)
Financial position as at 31 March 2024	38,833

4.2.1 Experience gains and (losses)

Since the 20th actuarial report, experience gains and losses increased the surplus of the PSPF by \$3,144 million. The main experience gain and loss items are shown in the following table followed by explanatory notes (i) and (ii). Gains are represented by positive numbers and losses are represented by negative numbers in parentheses.

Table 3 Experience gains and losses for plan year 2024 (in \$ millions)	
Components of experience gains and (losses)	PSPF
Investment earnings (i)	2,595
Expected/actual disbursements	28
Contributions (ii)	527
Miscellaneous	(7)
Experience gains and (losses)	3,144

- i. The return realized on the Pension Fund for plan year 2024 was 7.2% versus the expected return 5.8%. Consequently, the Pension Fund experienced an investment gain, before applying the adjusted market value method, increasing the surplus by \$2,595 million for plan year 2024.
- ii. Contributions were higher than the projected cost by \$527 million in plan year 2024.

The contribution rates applicable to plan year 2024 were determined in the 19th Actuarial Report on the Pension Plan for the Public Service of Canada as at 31 March 2020 (19th actuarial report). The projected cost for plan year 2024 is based on the 20th actuarial report. Differences in data and assumptions between the 19th actuarial report and the 20th actuarial report result in contribution amounts exceeding the projected cost.

The actuarial liability reported in the 20th actuarial report reflected salary increases that were known, but not processed as at 31 March 2023. Contributions made in plan year 2024 on retroactive salaries paid in plan year 2024 relative to salaries due in plan year 2023 or earlier are part of the contributions and not the projected cost.

4.2.2 Revision of actuarial assumptions

The actuarial assumptions for the valuation as at 31 March 2024 are the same as those for the valuation as at 31 March 2023.

5 Actuarial opinion

In our opinion, considering that this report was prepared pursuant to the request made by the President of Treasury Board under subsection 44.4 (5) of the *Public Service Superannuation 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 aggregate for the purposes of the valuation; and
- the methods employed are appropriate for the purposes of the valuation.

This report has been prepared, and our opinion 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 – Practice-Specific Standards for Pension Plans) published by the Canadian Institute of Actuaries.

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

Assia Billig, FCIA, FSA
Chief Actuary

Alexandre Larose, FCIA, FSA

Alexandre Filiatreault, FCIA, FSA

Ottawa, Canada
27 September 2024

Appendix A — Assets and rates of return

A.1 Assets balance

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

A.2 Public service pension fund

Since 1 April 2000, PSSA contributions (except for prior service elections made prior to 1 April 2000) have been credited to the PSPF. The PSPF is invested in the financial markets with a view to achieving maximum rates of return without undue risk.

The PSPF has been credited with all PSSA contributions since 1 April 2000, as well as with prior service contributions in respect of elections made since that date. The PSPF is also credited with the net investment returns generated by the capital assets managed by PSPIB. It is debited with both the benefit payments made in respect of service earned and prior service elections made since 1 April 2000 and the allocated portion of the plan administrative expenses.

Table 4 Reconciliation of balance in the PSPF
(in \$ millions)

Plan year	2024
Opening balance as at 1 April of the previous year	177,974
Investment earnings	13,003
Employer contributions	3,563
Member contributions	3,644
Transfers received	148
Actuarial liability adjustments	0
Income subtotal	20,358
Annuities	3,964
Pension divisions	35
Return of contributions	41
Pension transfer value payments	147
Transfers to other pension plans	29
Minimum benefits	36
Administrative expenses	99
Expenditures subtotal	4,351
Closing balance as at 31 March of the plan year	193,981

A.3 Sources of asset data

PSPF entries shown in section A.2 above were taken from the Public Accounts of Canada and the financial statements of PSP Investments.

Appendix B — Valuation methodology

B.1 Projected liability

Actuarial liability as at 31 March 2024 is projected based on the actuarial liability as at 31 March 2023 using the economic and demographic assumptions specified in Appendices F and G of the 20th actuarial report.

With the exception of prior service contributions recognized in the present value of prior service contributions as at 31 March 2023, prior service contributions made in plan year 2024 were added to the projected liability as at 31 March 2024.

The difference between the service cost contributions made to the PSPF in plan year 2024 and the projected service cost for plan year 2024 was not added to the projected liability.

B.2 Plan assets

For valuation purposes, an adjusted market value method is used to determine the actuarial value of assets in respect of the PSPF. The method is unchanged from the 20th actuarial report.

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

The only other PSPF-related asset consists of the discounted value of future member and government contributions in respect of prior service elections². The discounted value of future member and government contributions was calculated using the assumed rates of return on the PSPF.

The actuarial value of the assets, determined as at 31 March 2024, is \$186,395 million. The calculation to determine this value is shown at Table 5.

² As described in Appendix A.2.2.2 Elected prior service of the 20th actuarial report.

**Table 5 Actuarial value of PSPF assets
(\$ millions)**

Plan year	2020	2021	2022	2023	2024	Total
Actual net investment return (A)	(763)	22,988	16,384	7,444	13,003	
Expected investment return (B)	6,769	5,241	8,424	8,804	10,408	
Investment gains (losses) (C = A-B)	(7,532)	17,747	7,960	(1,360)	2,595	
Unrecognized percentage (D)	0%	20%	40%	60%	80%	
Unrecognized investment gains (losses) (Cx D)	0	3,549	3,184	(816)	2,076	7,993
Market value as at 31 March 2024						193,981
<i>Plus</i>						
Actuarial smoothing adjustment, before application of corridor						<u>(7,993)</u>
Actuarial value as at 31 March 2024 (before application of corridor)						185,988
Impact of application of corridor ^a						<u>0</u>
Actuarial value as at 31 March 2024 (after application of corridor)						185,988
<i>Plus</i>						
Present value of prior service contributions						407
Actuarial value as at 31 March 2024						186,395

a. The corridor is 90% to 110% of market value, that is \$174,583M to \$213,379M.

Appendix C — Deterministic projection of the funded status

C.1 Public service pension fund projection

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

The following projection is a deterministic forecast of the baseline scenario used in Appendix L.2 of the 20th actuarial report. It was performed using the membership data, assumptions and methodology described in Appendices of the 20th actuarial report, and the asset data from this report. The projection shows the expected evolution of the financial position of the PSPF if all assumptions are realized. For the projection period from 1 April 2024 up to 31 December 2024 of plan year 2025, the difference, estimated at \$254 million, between the service cost contributions made to the PSPF and the projected service cost was considered in the assets but not added to the projected liability. Emerging experience that differs from the corresponding assumptions will result in gains or (losses) to be revealed in subsequent valuation reports.

For this forecast it was assumed that:

- The funding status is continuously reassessed;
- Deficits are covered by additional government contributions; and
- Legislation under section 44.4 (1) of the PSSA is applied in case of non-permitted surplus (surplus in excess of 25% of liabilities). The pause in government contribution:
 - is based on whole months starting on 1 December 2024;
 - is applied until the non-permitted surplus is extinguished;
 - is applied to the contributions of any board, commission or corporation listed in a Schedule to the PSSA; and
 - is not applied to prior service buybacks.

Table 6 shows the projected actuarial value of assets if all assumptions are realized.

Table 6 Actuarial asset value
(in \$ millions)

Plan year	Unrecognized investment (gains)/losses ^a	Present value of prior service contributions ^a	Market value of assets ^a	Actuarial value of assets ^a
2025	(7,993)	407	193,981	186,395
2026	(2,605)	343	207,166	204,904
2027	(766)	288	218,448	217,970
2028	(519)	240	230,457	230,178
2029	0	198	245,582	245,780
2030	0	164	262,481	262,645
2031	0	135	280,347	280,482
2032	0	111	298,994	299,105
2033	0	92	318,590	318,682
2034	0	77	338,610	338,687

a. Shown at the beginning at the plan year

Table 7 shows the projected contributions and that the PSPF would reach a 125% funded ratio in plan year 2029.

Table 7 Funded status
(in \$ millions)

Plan year	Actuarial value of assets ^a	Prior service contrib.	Gov. contrib. before contrib. pause	Gov. contrib. pause	Employee contrib.	Payments	Investment earnings	Actuarial liability ^a	Funded ratio ^{a b}
2025	186,395	426	3,422	(1,141) ^c	3,401	(4,796)	11,873	147,562	126.3%
2026	204,904	437	3,435	(3,435)	3,414	(5,166)	12,597	158,829	129.0%
2027	217,970	448	3,555	(3,555)	3,534	(5,683)	13,709	170,701	127.7%
2028	230,178	458	3,744	(1,248) ^d	3,722	(6,088)	14,537	183,366	125.5%
2029	245,780	467	3,925	0	3,902	(6,670)	15,276	196,811	124.9%
2030	262,645	474	4,119	0	4,094	(7,142)	16,322	210,687	124.7%
2031	280,482	481	4,303	0	4,278	(7,834)	17,420	225,342	124.5%
2032	299,105	487	4,498	0	4,471	(8,429)	18,569	240,578	124.3%
2033	318,682	492	4,671	0	4,644	(9,238)	19,451	256,552	124.2%
2034	338,687	495	4,862	0	4,834	(9,917)	20,325	272,788	124.2%

a. Shown at the beginning at the plan year

b. Ratio of actuarial value of assets over actuarial liability

c. Government contribution cease on 1 December 2024, this represents 4 whole months of government contribution pause.

d. This represents 4 whole months of government contribution pause.

Appendix D — Sensitivity analyses of various salary adjustment scenarios

D.1 Summary

As requested by the President of the Treasury board, this section shows five sensitivity scenarios of one-time salary adjustment during plan year 2025. The level of the adjustment is a one-time increase of 1%, 3%, 5%, 7%, and 9% higher than the best-estimate assumption. Table 8 shows the effect on the liabilities and on the funded ratio at the valuation date for the PSPF under those five scenarios. Although the scope of this report is solely an analysis for the PSPF, the scenarios presented would have an effect on the Superannuation Account, and the Retirement Compensation Arrangement No.1 and No.2 Accounts.

Table 8 Sensitivity of valuation results as at 31 March 2024 of the PSPF to one-time salary adjustment during plan year 2025

Scenarios	Actuarial liability (\$ millions)		Funded ratio	
	As at 31 March 2024	Effect	As at 31 March 2024	Effect
Base:				
No change	147,562	-	126.3%	-
2.3% for plan year 2025				
Scenario 1:				
Salary 1% higher	148,308	746	125.7%	(0.6%)
3.3% for plan year 2025				
Scenario 2:				
Salary 3% higher	149,797	2,235	124.4%	(1.9%)
5.3% for plan year 2025				
Scenario 3:				
Salary 5% higher	151,281	3,719	123.2%	(3.1%)
7.3% for plan year 2025				
Scenario 4:				
Salary 7% higher	152,760	5,198	122.0%	(4.3%)
9.3% for plan year 2025				
Scenario 5:				
Salary 9% higher	154,234	6,672	120.9%	(5.4%)
11.3% for plan year 2025				

Table 9 shows the effect on the liabilities and on the funded ratio as at March 31, 2025 for the PSPF under the same five scenarios.

Table 9 Sensitivity of valuation results as at 31 March 2025 of the PSPF to one-time salary adjustment during plan year 2025

Scenarios	Actuarial liability (\$ millions)		Funded ratio	
	As at 31 March 2025	Effect	As at 31 March 2025	Effect
Base:				
No change	158,829	-	129.0%	-
2.3% for plan year 2025				
Scenario 1:				
Salary 1% higher	159,685	856	128.4%	(0.6%)
3.3% for plan year 2025				
Scenario 2:				
Salary 3% higher	161,394	2,565	127.1%	(1.9%)
5.3% for plan year 2025				
Scenario 3:				
Salary 5% higher	163,098	4,269	125.8%	(3.2%)
7.3% for plan year 2025				
Scenario 4:				
Salary 7% higher	164,796	5,967	124.6%	(4.4%)
9.3% for plan year 2025				
Scenario 5:				
Salary 9% higher	166,487	7,658	124.1%	(4.9%)
11.3% for plan year 2025				

D.2 Sensitivity scenarios of salary adjustment

The tables in this section show the projected funded ratios using the same methodology as in Appendix C and using the one-time salary adjustment scenarios described in Appendix D.1. For simplicity, it was assumed that if there is a non-permitted surplus over the projection period, the pause in government contributions would start on 1 December 2024 and would continue until there is no longer a non-permitted surplus. The projections show the expected evolution of the financial position of the PSPF when adjusting for the salary increase assumption in plan year 2025 and realizing all other assumptions. Table 10 shows the projected funded ratio if the salary increase in plan year 2025 is 1% higher than the best estimate assumption.

Table 10 Scenario 1: Funded status of the PSPF with plan year 2025 salary increase 1% higher than best estimate
(in \$ millions)

Plan year	Actuarial value of assets ^a	Prior service contrib.	Gov. contrib. before contrib. pause	Gov. contrib. pause	Employee contrib.	Payments	Investment earnings	Actuarial liability ^a	Funded ratio ^{a b}
2025	186,395	426	3,455	(1,152) ^c	3,434	(4,797)	11,875	148,308	125.7%
2026	204,960	437	3,470	(3,470)	3,449	(5,168)	12,601	159,685	128.4%
2027	218,064	448	3,593	(3,593) ^d	3,572	(5,686)	13,716	171,680	127.0%
2028	230,313	458	3,785	0	3,763	(6,094)	14,588	184,482	124.8%
2029	247,289	467	3,969	0	3,945	(6,679)	15,372	198,076	124.8%
2030	264,329	474	4,165	0	4,140	(7,156)	16,429	212,111	124.6%
2031	282,350	481	4,352	0	4,326	(7,854)	17,538	226,934	124.4%
2032	301,169	487	4,549	0	4,522	(8,456)	18,700	242,349	124.3%
2033	320,951	492	4,725	0	4,696	(9,273)	19,592	258,509	124.2%
2034	341,167	495	4,918	0	4,888	(9,959)	20,476	274,938	124.1%

- a. Shown at the beginning at the plan year
- b. Ratio of actuarial value of assets over actuarial liability
- c. Government contribution cease on 1 December 2024, this represents 4 whole months of government contribution pause.
- d. This represents 12 whole months of government contribution pause.

Table 11 shows the projected funded ratio if the salary increase in plan year 2025 is 3% higher than the best estimate assumption.

Table 11 Scenario 2: Funded status of the PSPF with plan year 2025 salary increase 3% higher than best estimate
(in \$ millions)

Plan year	Actuarial value of assets ^a	Prior service contrib.	Gov. contrib. before contrib. pause	Gov. contrib. pause	Employee contrib.	Payments	Investment earnings	Actuarial liability ^a	Funded ratio ^{a b}
2025	186,395	426	3,522	(1,174) ^c	3,500	(4,799)	11,878	149,797	124.4%
2026	205,071	437	3,539	(3,539)	3,519	(5,171)	12,610	161,394	127.1%
2027	218,251	448	3,670	(1,223) ^d	3,647	(5,694)	13,807	173,634	125.7%
2028	233,103	458	3,868	0	3,844	(6,106)	14,768	186,708	124.8%
2029	250,411	467	4,057	0	4,032	(6,698)	15,571	200,599	124.8%
2030	267,805	474	4,258	0	4,233	(7,186)	16,649	214,951	124.6%
2031	286,203	481	4,449	0	4,423	(7,896)	17,781	230,112	124.4%
2032	305,417	487	4,651	0	4,623	(8,511)	18,968	245,881	124.2%
2033	325,615	492	4,830	0	4,802	(9,342)	19,881	262,414	124.1%
2034	346,263	495	5,028	0	4,998	(10,044)	20,785	279,227	124.0%

a. Shown at the beginning at the plan year

b. Ratio of actuarial value of assets over actuarial liability

c. Government contribution cease on 1 December 2024, this represents 4 whole months of government contribution pause.

d. This represents 4 whole months of government contribution pause.

Table 12 shows the projected funded ratio if the salary increase in plan year 2025 is 5% higher than the best estimate assumption.

Table 12 Scenario 3: Funded status of the PSPF with plan year 2025 salary increase 5% higher than best estimate
(in \$ millions)

Plan year	Actuarial value of assets ^a	Prior service contrib.	Gov. contrib. before contrib. pause	Gov. contrib. pause	Employee contrib.	Payments	Investment earnings	Actuarial liability ^a	Funded ratio ^{a b}
2025	186,395	426	3,588	(1,196) ^c	3,566	(4,801)	11,881	151,281	123.2%
2026	205,182	437	3,610	(2,707) ^d	3,588	(5,174)	12,647	163,098	125.8%
2027	219,366	448	3,745	0	3,722	(5,700)	13,920	175,581	124.9%
2028	235,699	458	3,950	0	3,925	(6,117)	14,936	188,927	124.8%
2029	253,327	467	4,144	0	4,119	(6,717)	15,756	203,114	124.7%
2030	271,062	474	4,351	0	4,325	(7,214)	16,856	217,782	124.5%
2031	289,824	481	4,546	0	4,519	(7,936)	18,011	233,280	124.2%
2032	309,419	487	4,753	0	4,724	(8,565)	19,221	249,403	124.1%
2033	330,019	492	4,936	0	4,907	(9,411)	20,154	266,307	123.9%
2034	351,082	495	5,138	0	5,108	(10,128)	21,079	283,504	123.8%

- a. Shown at the beginning at the plan year
- b. Ratio of actuarial value of assets over actuarial liability
- c. Government contribution cease on 1 December 2024, this represents 4 whole months of government contribution pause.
- d. This represents 9 whole months of government contribution pause.

Table 13 shows the projected funded ratio if the salary increase in plan year 2025 is 7% higher than the best estimate assumption.

Table 13 Scenario 4: Funded status of the PSPF with plan year 2025 salary increase 7% higher than best estimate
(in \$ millions)

Plan year	Actuarial value of assets ^a	Prior service contrib.	Gov. contrib. before contrib. pause	Gov. contrib. pause	Employee contrib.	Payments	Investment earnings	Actuarial liability ^a	Funded ratio ^{a b}
2025	186,395	426	3,654	(1,218) ^c	3,632	(4,803)	11,884	152,760	122.0%
2026	205,294	437	3,680	(613) ^d	3,657	(5,177)	12,721	164,796	124.6%
2027	221,781	448	3,821	0	3,797	(5,706)	14,077	177,522	124.9%
2028	238,416	458	4,031	0	4,007	(6,129)	15,112	191,139	124.7%
2029	256,371	467	4,231	0	4,206	(6,736)	15,950	205,622	124.7%
2030	274,454	474	4,443	0	4,417	(7,243)	17,071	220,605	124.4%
2031	293,586	481	4,643	0	4,616	(7,977)	18,249	236,439	124.2%
2032	313,572	487	4,854	0	4,825	(8,619)	19,483	252,915	124.0%
2033	334,582	492	5,042	0	5,012	(9,480)	20,436	270,190	123.8%
2034	356,069	495	5,249	0	5,217	(10,212)	21,382	287,770	123.7%

a. Shown at the beginning at the plan year

b. Ratio of actuarial value of assets over actuarial liability

c. Government contribution cease on 1 December 2024, this represents 4 whole months of government contribution pause.

d. This represents 2 whole months of government contribution pause.

Table 14 shows the projected funded ratio if the salary increase in plan year 2025 is 9% higher than the best estimate assumption.

Table 14 Scenario 5: Funded status of the PSPF with plan year 2025 salary increase 9% higher than best estimate
 (in \$ millions)

Plan year	Actuarial value of assets ^a	Prior service contrib.	Gov. contrib. before contrib. pause	Gov. contrib. pause	Employee contrib.	Payments	Investment earnings	Actuarial liability ^a	Funded ratio ^{a b}
2025	186,395	426	3,719	0	3,697	(4,804)	11,926	154,234	120.9%
2026	206,681	437	3,749	0	3,726	(5,181)	12,829	166,487	124.1%
2027	224,024	448	3,896	0	3,873	(5,713)	14,222	179,456	124.8%
2028	240,948	458	4,112	0	4,088	(6,140)	15,277	193,343	124.6%
2029	259,218	467	4,318	0	4,293	(6,754)	16,131	208,120	124.6%
2030	277,639	474	4,535	0	4,509	(7,271)	17,273	223,418	124.3%
2031	297,129	481	4,740	0	4,712	(8,017)	18,473	239,586	124.0%
2032	317,493	487	4,955	0	4,926	(8,673)	19,730	256,415	123.8%
2033	338,898	492	5,147	0	5,116	(9,547)	20,704	274,060	123.7%
2034	360,795	495	5,359	0	5,326	(10,296)	21,670	292,021	123.6%

a. Shown at the beginning at the plan year

b. Ratio of actuarial value of assets over actuarial liability

Appendix E — Acknowledgements

The following individuals assisted in the preparation of this report:

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