

Year's Maximum Pensionable Earnings = YMPE Calculation Reference Sheet

Amount of Year's Maximum Pensionable Earnings
Section 18

- 18(1) Base value & method for escalating defined
- 18(2) Rounding to \$100 increments
- 18(3) Minimum amount (floor)
- 18(4) Wage Measure (avg. weekly salaries of Industrial Aggregate)

Time and Manner of Calculation
Section 85

- 85(1) Time & manner of calculation (Industrial Aggregate)
- 85(2) Treatment of decimals (Wage Measure)

2018-2021: **Table 14-10-0203-1** (formerly CANSIM 281-0026)
2017: CANSIM 281-0047
- Industrial Aggregate
(Reference provided in Stats Book)

T4127 Payroll Deductions Formulas
- YMPE before rounding





CPP Calculation of Benefits
Stats Book

- YMPE equation
 - Year's Maximum Pensionable Earnings = $YMPE_t$
 - Equation notes *not rounded*
- Where-used:
 - Average YMPE = $AYMPE_t$ which is also referred as
 - Maximum Pensionable Earnings Average = $MPEA_t$
 - Maximum Contributory Earnings = MCE_t
 - Pensionable Earnings = PE_t
 - F, a calculation procedure, which is used in
 - Approximate Monthly Retirement Pension at 65 = $AMRP_t$

$$YMPE_t = YMPE_{t-1} \times \frac{(Wage\ measure\ July_{t-2}\ to\ June_{t-1})/12}{(Wage\ measure\ July_{t-3}\ to\ June_{t-2})/12}$$

*not rounded

 Use in practice.

-  CPP Act, C-8
-  CPP Regulations
-  CPP and OAS Stats Book
-  Data and Info. (Statistics Canada, CRA)

