

MLA Pension Plan Calculations and Comparison

Scenario: Backbench MLA - 8 years (2-terms)							
		Major's Proposed MLA Pension Plan			CTF's Proposed MLA Pension Plan		
Year	Salary	Pension Accrual	CARE-P	MLA contribution	RRSP contribution	Total Matched	Total in Account
2012-13	\$134,000	\$3,350	\$3,982	\$14,740	\$11,485	\$22,970	\$24,119
2013-14	\$137,350	\$3,434	\$3,982	\$15,109	\$11,910	\$23,820	\$50,335
2014-15	\$140,784	\$3,520	\$3,982	\$15,486	\$12,065	\$24,130	\$78,189
2015-16	\$144,303	\$3,608	\$3,982	\$15,873	\$12,367	\$24,734	\$108,069
2016-17	\$147,911	\$3,698	\$3,982	\$16,270	\$12,676	\$25,352	\$140,092
2017-18	\$151,609	\$3,790	\$3,982	\$16,677	\$12,993	\$25,986	\$174,381
2018-19	\$155,399	\$3,885	\$3,982	\$17,094	\$13,318	\$26,635	\$211,068
2020-21	\$159,284	\$3,982	\$3,982	\$17,521	\$13,651	\$27,301	\$250,287
Totals		Yearly Payment	\$31,857	\$128,770	\$100,464	\$200,928	\$250,287
		Monthly Payment	\$2,655				
Male MLA		Cost to purchase joint-life annuity		\$496,690	Monthly Payment		\$1,655
		Amount less MLA contributions		\$367,920	Yearly Payment		\$19,860
Female MLA		Cost to purchase joint-life annuity		\$524,600	Monthly Payment		\$1,367
		Amount less MLA contributions		\$395,830	Yearly Payment		\$16,404

MLA Pension Plan Calculations and Comparison

Scenario: Backbench MLA - 12 years (3-terms)							
		Major's Proposed MLA Pension Plan			CTF's Proposed MLA Pension Plan		
Year	Salary	Pension Accrual	CARE-P	MLA contribution	RRSP contribution	Total Matched	Total in Account
2012-13	\$134,000	\$3,350	\$4,395	\$14,740	\$11,485	\$22,970	\$24,119
2013-14	\$137,350	\$3,434	\$4,395	\$15,109	\$11,910	\$23,820	\$50,335
2014-15	\$140,784	\$3,520	\$4,395	\$15,486	\$12,065	\$24,130	\$78,189
2015-16	\$144,303	\$3,608	\$4,395	\$15,873	\$12,367	\$24,734	\$108,069
2016-17	\$147,911	\$3,698	\$4,395	\$16,270	\$12,676	\$25,352	\$140,092
2017-18	\$151,609	\$3,790	\$4,395	\$16,677	\$12,993	\$25,986	\$174,381
2018-19	\$155,399	\$3,885	\$4,395	\$17,094	\$13,318	\$26,635	\$211,068
2020-21	\$159,284	\$3,982	\$4,395	\$17,521	\$13,651	\$27,301	\$250,287
2021-22	\$163,266	\$4,082	\$4,395	\$17,959	\$13,992	\$27,984	\$292,185
2022-23	\$167,348	\$4,184	\$4,395	\$18,408	\$14,342	\$28,683	\$336,911
2023-24	\$171,531	\$4,288	\$4,395	\$18,868	\$14,700	\$29,400	\$384,627
2024-25	\$175,820	\$4,395	\$4,395	\$19,340	\$15,068	\$30,135	\$435,501
Totals		Yearly Payment	\$52,740	\$203,346	\$158,566	\$317,131	\$435,501
		Monthly Payment	\$4,395				
Male MLA		Cost to purchase joint-life annuity		\$822,205	Monthly Payment		\$2,880
		Amount less MLA contributions		\$618,859	Yearly Payment		\$34,560
Female MLA		Cost to purchase joint-life annuity		\$868,406	Monthly Payment		\$2,379
		Amount less MLA contributions		\$665,060	Yearly Payment		\$28,548

MLA Pension Plan Calculations and Comparison

Scenario: Backbench MLA - 16 years (4-terms)							
		Major's Proposed MLA Pension Plan			CTF's Proposed MLA Pension Plan		
Year	Salary	Pension Accrual	CARE-P	MLA contribution	RRSP contribution	Total Matched	Total in Account
2012-13	\$134,000	\$3,350	\$4,852	\$14,740	\$11,485	\$22,970	\$24,119
2013-14	\$137,350	\$3,434	\$4,852	\$15,109	\$11,910	\$23,820	\$50,335
2014-15	\$140,784	\$3,520	\$4,852	\$15,486	\$12,065	\$24,130	\$78,189
2015-16	\$144,303	\$3,608	\$4,852	\$15,873	\$12,367	\$24,734	\$108,069
2016-17	\$147,911	\$3,698	\$4,852	\$16,270	\$12,676	\$25,352	\$140,092
2017-18	\$151,609	\$3,790	\$4,852	\$16,677	\$12,993	\$25,986	\$174,381
2018-19	\$155,399	\$3,885	\$4,852	\$17,094	\$13,318	\$26,635	\$211,068
2020-21	\$159,284	\$3,982	\$4,852	\$17,521	\$13,651	\$27,301	\$250,287
2021-22	\$163,266	\$4,082	\$4,852	\$17,959	\$13,992	\$27,984	\$292,185
2022-23	\$167,348	\$4,184	\$4,852	\$18,408	\$14,342	\$28,683	\$336,911
2023-24	\$171,531	\$4,288	\$4,852	\$18,868	\$14,700	\$29,400	\$384,627
2024-25	\$175,820	\$4,395	\$4,852	\$19,340	\$15,068	\$30,135	\$435,501
2025-26	\$180,215	\$4,505	\$4,852	\$19,824	\$15,444	\$30,889	\$489,709
2026-27	\$184,720	\$4,618	\$4,852	\$20,319	\$15,831	\$31,661	\$547,439
2027-28	\$189,338	\$4,733	\$4,852	\$20,827	\$16,226	\$32,453	\$608,886
2028-29	\$194,072	\$4,852	\$4,852	\$21,348	\$16,632	\$33,264	\$674,258
Totals		Yearly Payment	\$77,632	\$285,665	\$222,699	\$445,398	\$674,258
		Monthly Payment	\$6,469				
Male MLA		Cost to purchase joint-life annuity		\$1,210,203	Monthly Payment		\$4,459
		Amount less MLA contributions		\$924,538	Yearly Payment		\$53,508
Female MLA		Cost to purchase joint-life annuity		\$1,278,207	Monthly Payment		\$3,683
		Amount less MLA contributions		\$992,542	Yearly Payment		\$44,196

MLA Pension Plan Calculations and Comparison

Scenario: Backbench MLA - 20 years (5-terms)		Major's Proposed MLA Pension Plan			CTF's Proposed MLA Pension Plan		
Year	Salary	Pension Accrual	CARE-P	MLA contribution	RRSP contribution	Total Matched	Total in Account
2012-13	\$134,000	\$3,350	\$5,355	\$14,740	\$11,485	\$22,970	\$24,119
2013-14	\$137,350	\$3,434	\$5,355	\$15,109	\$11,910	\$23,820	\$50,335
2014-15	\$140,784	\$3,520	\$5,355	\$15,486	\$12,065	\$24,130	\$78,189
2015-16	\$144,303	\$3,608	\$5,355	\$15,873	\$12,367	\$24,734	\$108,069
2016-17	\$147,911	\$3,698	\$5,355	\$16,270	\$12,676	\$25,352	\$140,092
2017-18	\$151,609	\$3,790	\$5,355	\$16,677	\$12,993	\$25,986	\$174,381
2018-19	\$155,399	\$3,885	\$5,355	\$17,094	\$13,318	\$26,635	\$211,068
2020-21	\$159,284	\$3,982	\$5,355	\$17,521	\$13,651	\$27,301	\$250,287
2021-22	\$163,266	\$4,082	\$5,355	\$17,959	\$13,992	\$27,984	\$292,185
2022-23	\$167,348	\$4,184	\$5,355	\$18,408	\$14,342	\$28,683	\$336,911
2023-24	\$171,531	\$4,288	\$5,355	\$18,868	\$14,700	\$29,400	\$384,627
2024-25	\$175,820	\$4,395	\$5,355	\$19,340	\$15,068	\$30,135	\$435,501
2025-26	\$180,215	\$4,505	\$5,355	\$19,824	\$15,444	\$30,889	\$489,709
2026-27	\$184,720	\$4,618	\$5,355	\$20,319	\$15,831	\$31,661	\$547,439
2027-28	\$189,338	\$4,733	\$5,355	\$20,827	\$16,226	\$32,453	\$608,886
2028-29	\$194,072	\$4,852	\$5,355	\$21,348	\$16,632	\$33,264	\$674,258
2029-30	\$198,924	\$4,973	\$5,355	\$21,882	\$17,048	\$34,096	\$743,771
2030-31	\$203,897	\$5,097	\$5,355	\$22,429	\$17,474	\$34,948	\$817,655
2031-32	\$208,994	\$5,225	\$5,355	\$22,989	\$17,911	\$35,822	\$896,150
2032-33	\$214,219	\$5,355	\$5,355	\$23,564	\$18,359	\$36,717	\$979,511
Totals		Yearly Payment	\$107,100	\$376,528	\$222,699	\$445,398	\$979,511
		Monthly Payment	\$8,925				
Male MLA		Cost to purchase joint-life annuity		\$1,669,666	Monthly Payment		\$6,478
		Amount less MLA contributions		\$1,293,138	Yearly Payment		\$77,736
Female MLA		Cost to purchase joint-life annuity		\$1,763,487	Monthly Payment		\$5,350
		Amount less MLA contributions		\$1,386,959	Yearly Payment		\$64,200

MLA Pension Plan Calculations and Comparison

Scenario: Cabinet Minister/Speaker/Opposition Leader - 8 years (2-terms)							
		Major's Proposed MLA Pension Plan			CTF's Proposed MLA Pension Plan		
Year	Salary	Pension Accrual	CARE-P	MLA contribution	RRSP contribution	Total Matched	Total in Account
2012-13	\$201,000	\$5,025	\$5,973	\$22,110	\$11,485	\$22,970	\$24,119
2013-14	\$206,025	\$5,151	\$5,973	\$22,663	\$11,910	\$23,820	\$50,335
2014-15	\$211,176	\$5,279	\$5,973	\$23,229	\$12,065	\$24,130	\$78,189
2015-16	\$216,455	\$5,411	\$5,973	\$23,810	\$12,367	\$24,734	\$108,069
2016-17	\$221,866	\$5,547	\$5,973	\$24,405	\$12,676	\$25,352	\$140,092
2017-18	\$227,413	\$5,685	\$5,973	\$25,015	\$12,993	\$25,986	\$174,381
2018-19	\$233,098	\$5,827	\$5,973	\$25,641	\$13,318	\$26,635	\$211,068
2020-21	\$238,926	\$5,973	\$5,973	\$26,282	\$13,651	\$27,301	\$250,287
Totals		Yearly Payment	\$47,785	\$193,156	\$100,464	\$200,928	\$250,287
		Monthly Payment	\$3,982				
Male MLA		Cost to purchase joint-life annuity		\$744,942	Monthly Payment		\$1,655
		Amount less MLA contributions		\$551,786	Yearly Payment		\$19,860
Female MLA		Cost to purchase joint-life annuity		\$786,801	Monthly Payment		\$1,367
		Amount less MLA contributions		\$593,645	Yearly Payment		\$16,404

MLA Pension Plan Calculations and Comparison

Scenario: Cabinet Minister/Speaker/Opposition Leader - 12 years (3-terms)							
		Major's Proposed MLA Pension Plan			CTF's Proposed MLA Pension Plan		
Year	Salary	Pension Accrual	CARE-P	MLA contribution	RRSP contribution	Total Matched	Total in Account
2012-13	\$201,000	\$5,025	\$6,593	\$22,110	\$11,485	\$22,970	\$24,119
2013-14	\$206,025	\$5,151	\$6,593	\$22,663	\$11,910	\$23,820	\$50,335
2014-15	\$211,176	\$5,279	\$6,593	\$23,229	\$12,065	\$24,130	\$78,189
2015-16	\$216,455	\$5,411	\$6,593	\$23,810	\$12,367	\$24,734	\$108,069
2016-17	\$221,866	\$5,547	\$6,593	\$24,405	\$12,676	\$25,352	\$140,092
2017-18	\$227,413	\$5,685	\$6,593	\$25,015	\$12,993	\$25,986	\$174,381
2018-19	\$233,098	\$5,827	\$6,593	\$25,641	\$13,318	\$26,635	\$211,068
2020-21	\$238,926	\$5,973	\$6,593	\$26,282	\$13,651	\$27,301	\$250,287
2021-22	\$244,899	\$6,122	\$6,593	\$26,939	\$13,992	\$27,984	\$292,185
2022-23	\$251,021	\$6,276	\$6,593	\$27,612	\$14,342	\$28,683	\$336,911
2023-24	\$257,297	\$6,432	\$6,593	\$28,303	\$14,700	\$29,400	\$384,627
2024-25	\$263,729	\$6,593	\$6,593	\$29,010	\$15,068	\$30,135	\$435,501
Totals		Yearly Payment	\$79,116	\$305,020	\$158,566	\$317,131	\$435,501
		Monthly Payment	\$6,593				
Male MLA		Cost to purchase joint-life annuity		\$1,233,401		Monthly Payment	\$2,880
		Amount less MLA contributions		\$928,381		Yearly Payment	\$34,560
Female MLA		Cost to purchase joint-life annuity		\$1,302,708		Monthly Payment	\$2,379
		Amount less MLA contributions		\$997,688		Yearly Payment	\$28,548

MLA Pension Plan Calculations and Comparison

Scenario: Backbench MLA - 4 years + Cabinet Minister/Speaker/Opposition Leader - 8 years (3-terms)							
		Major's Proposed MLA Pension Plan			CTF's Proposed MLA Pension Plan		
Year	Salary	Pension Accrual	CARE-P	MLA contribution	RRSP contribution	Total Matched	Total in Account
2012-13	\$134,000	\$3,350	\$4,395	\$14,740	\$11,485	\$22,970	\$24,119
2013-14	\$137,350	\$3,434	\$4,395	\$15,109	\$11,910	\$23,820	\$50,335
2014-15	\$140,784	\$3,520	\$4,395	\$15,486	\$12,065	\$24,130	\$78,189
2015-16	\$144,303	\$3,608	\$4,395	\$15,873	\$12,367	\$24,734	\$108,069
2016-17	\$221,866	\$5,547	\$6,593	\$24,405	\$12,676	\$25,352	\$140,092
2017-18	\$227,413	\$5,685	\$6,593	\$25,015	\$12,993	\$25,986	\$174,381
2018-19	\$233,098	\$5,827	\$6,593	\$25,641	\$13,318	\$26,635	\$211,068
2020-21	\$238,926	\$5,973	\$6,593	\$26,282	\$13,651	\$27,301	\$250,287
2021-22	\$244,899	\$6,122	\$6,593	\$26,939	\$13,992	\$27,984	\$292,185
2022-23	\$251,021	\$6,276	\$6,593	\$27,612	\$14,342	\$28,683	\$336,911
2023-24	\$257,297	\$6,432	\$6,593	\$28,303	\$14,700	\$29,400	\$384,627
2024-25	\$263,729	\$6,593	\$6,593	\$29,010	\$15,068	\$30,135	\$435,501
Totals		Yearly Payment	\$70,328	\$274,416	\$158,566	\$317,131	\$435,501
		Monthly Payment	\$5,861				
Male MLA		Cost to purchase joint-life annuity		\$1,096,460	Monthly Payment		\$2,880
		Amount less MLA contributions		\$822,044	Yearly Payment		\$34,560
Female MLA		Cost to purchase joint-life annuity		\$1,158,072	Monthly Payment		\$2,379
		Amount less MLA contributions		\$883,656	Yearly Payment		\$28,548

MLA Pension Plan Calculations and Comparison

Scenario: Premier - 8 years (2-terms)							
		Major's Proposed MLA Pension Plan			CTF's Proposed MLA Pension Plan		
Year	Salary	Pension Accrual	CARE-P	MLA contribution	RRSP contribution	Total Matched	Total in Account
2012-13	\$219,224	\$5,481	\$6,515	\$24,115	\$11,485	\$22,970	\$24,119
2013-14	\$224,705	\$5,618	\$6,515	\$24,718	\$11,910	\$23,820	\$50,335
2014-15	\$230,322	\$5,758	\$6,515	\$25,335	\$12,065	\$24,130	\$78,189
2015-16	\$236,080	\$5,902	\$6,515	\$25,969	\$12,367	\$24,734	\$108,069
2016-17	\$241,982	\$6,050	\$6,515	\$26,618	\$12,676	\$25,352	\$140,092
2017-18	\$248,032	\$6,201	\$6,515	\$27,284	\$12,993	\$25,986	\$174,381
2018-19	\$254,233	\$6,356	\$6,515	\$27,966	\$13,318	\$26,635	\$211,068
2020-21	\$260,588	\$6,515	\$6,515	\$28,665	\$13,651	\$27,301	\$250,287
Totals		Yearly Payment	\$52,118	\$210,668	\$100,464	\$200,928	\$250,287
		Monthly Payment	\$4,343				
Male MLA		Cost to purchase joint-life annuity		\$812,477	Monthly Payment		\$1,655
		Amount less MLA contributions		\$601,809	Yearly Payment		\$19,860
Female MLA		Cost to purchase joint-life annuity		\$858,131	Monthly Payment		\$1,367
		Amount less MLA contributions		\$647,463	Yearly Payment		\$16,404

MLA Pension Plan Calculations and Comparison

Scenario: Premier - 12 years (3-terms)							
		Major's Proposed MLA Pension Plan			CTF's Proposed MLA Pension Plan		
Year	Salary	Pension Accrual	CARE-P	MLA contribution	RRSP contribution	Total Matched	Total in Account
2012-13	\$219,224	\$5,481	\$7,191	\$24,115	\$11,485	\$22,970	\$24,119
2013-14	\$224,705	\$5,618	\$7,191	\$24,718	\$11,910	\$23,820	\$50,335
2014-15	\$230,322	\$5,758	\$7,191	\$25,335	\$12,065	\$24,130	\$78,189
2015-16	\$236,080	\$5,902	\$7,191	\$25,969	\$12,367	\$24,734	\$108,069
2016-17	\$241,982	\$6,050	\$7,191	\$26,618	\$12,676	\$25,352	\$140,092
2017-18	\$248,032	\$6,201	\$7,191	\$27,284	\$12,993	\$25,986	\$174,381
2018-19	\$254,233	\$6,356	\$7,191	\$27,966	\$13,318	\$26,635	\$211,068
2020-21	\$260,588	\$6,515	\$7,191	\$28,665	\$13,651	\$27,301	\$250,287
2021-22	\$267,103	\$6,678	\$7,191	\$29,381	\$13,992	\$27,984	\$292,185
2022-23	\$273,781	\$6,845	\$7,191	\$30,116	\$14,342	\$28,683	\$336,911
2023-24	\$280,625	\$7,016	\$7,191	\$30,869	\$14,700	\$29,400	\$384,627
2024-25	\$287,641	\$7,191	\$7,191	\$31,640	\$15,068	\$30,135	\$435,501
Totals		Yearly Payment	\$86,292	\$332,675	\$158,566	\$317,131	\$435,501
		Monthly Payment	\$7,191				
Male MLA		Cost to purchase joint-life annuity		\$1,345,273		Monthly Payment	\$2,880
		Amount less MLA contributions		\$1,012,598		Yearly Payment	\$34,560
Female MLA		Cost to purchase joint-life annuity		\$1,420,867		Monthly Payment	\$2,379
		Amount less MLA contributions		\$1,088,192		Yearly Payment	\$28,548

MLA Pension Plan Calculations and Comparison

Assumptions:

All annuity calculations done using Standard Annuity Calculator on www.retirementadvisor.ca

https://www.retirementadvisor.ca/retadv/apps/annuity/annuity_inputs.jsp?toolsSubMenu=general

As per Major report, assumed 11% MLA contributions, 67% spousal benefit

Salary and re-adjusted earnings (CARE-P) are adjusted upwards by a 2.5% annual inflation rate

All MLAs and spouses are assumed to be age 65 when retired

All spouses are assumed to be of opposite sex

5% annual return on investment assumed for both annuity calculation and retirement account

Maximum RRSP contribution limit assumed to grow along with earnings at a 17.14% ratio of maximum to MLA earnings

"Amount less MLA contributions" represents total taxpayer contributions and investment earnings

"Cost to purchase joint-life annuity" represents the amount a regular Albertan would need in savings to purchase the same pension

Premier's salary assumed to be \$219,224, based on current 27.2% additional pay over cabinet