

Pension Contributions



Disclaimer

- This summary is provided solely for the purpose of explaining the principal features of the Teachers' Pension Plan. All rights with respect to the Teachers' Pension Plan shall be governed solely by legislation and appropriate regulations.
- This presentation is informational purposes only. It does not constitute legal or professional advice. You are encouraged to consult with appropriate professionals if you have specific questions relating to any of the topics covered in this presentation.



Teachers' Pension Plan (TPP) Contributions

- 11.3% of salary up to Year's Maximum Pensionable Earnings (YMPE).
- 12.9% of salary above YMPE.
- TPP contributions are deducted from each pay.



Canada Pension Plan (CPP) Contributions

- 5.95% of salary up to YMPE less Year's Basic Earnings (YBE).
- 4.00% of salary between YMPE and Year's Additional Maximum Pensionable Earnings (YAMPE).
- CPP contributions are deducted from each pay starting in January until the maximum CPP contribution has been made.



Example 1 (approximate salaries)

- ITC Step 1
- Salary
 - 2023-2024 - \$60,296
 - January 1, 2024 – July 31, 2024
 - $15/26 \times \$60,296 = \$34,786$
 - 2024-2025 - \$62,415
 - August 1, 2024 – December 31, 2024
 - $11/26 \times \$62,415 = \$26,406$
 - Total Salary for 2024 - \$61,192 (\$34,786 + \$26,406)



Example 1

- TPP Contributions
 - 11.3% of \$61,192 = \$6,914.70
- CPP Contributions
 - 5.95% of \$57,692 (\$61,192 - \$3,500) = \$3,432.67
- Total Pension Contributions
 - \$10,347.37 (16.9% of salary)



Example 2 (approximate salaries)

- ITC Step 9
- Salary
 - 2023-2024 - \$86,058
 - January 1, 2024 – July 31, 2024
 - $15/26 \times \$86,058 = \$49,649$
 - 2024-2025 - \$89,083
 - August 1, 2024 – December 31, 2024
 - $11/26 \times \$89,083 = \$37,689$
 - Total Salary for 2024 - \$87,338 ($\$49,649 + \$37,689$)



Example 2

- TPP Contributions
 - 11.3% of \$68,500 (YMPE) = \$7,740.50
 - 12.9% of \$18,838 = \$2,430.10
 - Total TPP Contributions = \$10,170.60 (11.6% of salary)
- CPP Contributions
 - 5.95% of \$65,000 ($\$68,500 - \$3,500$) = \$3,867.50
 - 4.00% of \$4,700 ($\$73,200 - \$68,500$) = \$188.00
 - Total CPP Contributions = \$4,055.50
- Total Pension Contributions
 - \$14,226.10 (16.3% of salary)



Questions?

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