

## ***APPENDIX C***

### **METHODS AND ACTUARIAL ASSUMPTIONS USED BY THE NOVA SCOTIA PUBLIC SERVICE SUPERANNUATION PLAN**

- 1. Mortality** UP94 projected to 2020 using scale AA  
Gender split: 50% male and 50% female
  
- 2. Interest Rate** Real interest rate: 4.25%  
Inflation: 2.50%  
Nominal interest rate: 6.86%
  
- Indexation Rate** 1.25%
  
- 4. Rate of increase in salaries and in maximum eligible earnings:**  
2.50% plus merit according to the following scale:

<30	2.5%
30-34	2.0%
35-39	1.5%
40-44	1.0%
45-49	0.5%
50+	0.0%
  
- 5. Withdrawal Rate:** Nil
  
- 6. Disability Rate:** Nil
  
- 7. Proportion of contributors married at death:**  
85% of males and 75% of females have a spouse at retirement.
  
- 8. Difference between the age of the spouse and that of the participant:**  
Male spouse is 3 years older than female spouse
  
- 9. Retirement Rates:** 35% at earliest opportunity for an unreduced pension, but not before age 54;  
otherwise at earlier of age 60 with 2 years of service or age at which 35 years of  
service is accrued.

#### **Method of Evaluation of Liability**

The method used to determine the liability is the Accrued Benefit method (also known as the Projected Unit Credit method).