

## Sample Pension Calculations

Note: All of the following calculations have been prepared as a guide to potential pension income. These calculations were made to provide a quick demonstration of how different formulae can produce different pension amounts. Individuals should verify calculations relating to their own pension plan and their personal situation.

The Yearly Maximum Pensionable Earnings (YMPE) is \$47,200 for 2010 and was used in all calculations.

## The Globe and Mail

### Employee Contribution Formula

3.5% on eligible earnings up to the Yearly Maximum Pensionable Earnings (YMPE)  
5.0% on eligible earnings above the Yearly Maximum Pensionable Earnings (YMPE)

### Pension Benefit Formula

1.4% x (earnings up to YMPE – base year 2003) x years of service.  
2.0% x (earnings greater than YMPE – base year 2003) x years of service.  
Use the same formula for each subsequent year.

Employees may retire at the age of 62 with no penalty.

### Sample Calculations for 30 year Employee

Base year income of \$40,000		
1.4% x \$40,000 x 30 years	\$16,800/year	\$ 1,400/month
Base year income of \$60,000		
1.4% x \$47,200 x 30 years	\$19,824	
2.0% x (\$60,000 --- \$47,200) x 30 years	\$ 7,680	
Total	\$27,504/year	\$ 2,292/month
Base year income of \$90,000		
1.4% x \$47,200 x 30 years	\$19,824	
2.0% x (\$90,000 --- \$47,200) x 30 years	\$25,680	
Total	\$45,504/year	\$ 3,792/month

Note: these calculations do not include credit for the years 2004 through 2010 based on the same formula.

## The Toronto Star

### Employee Contribution Formula

6.0% on eligible earnings

### Pension Benefit Formula

2.0% x (eligible earnings – base year 2005) x years of service.  
Eligible earnings are the basic salary in the base year less 31.25% of the YMPE

The 2.0% formula for each subsequent year following the base year.

Employees may retire at the age of 62 with no penalty.

### Sample Calculations for 30 year Employee

Base year income of \$40,000	
2.0% x (\$40,000 – \$12,000) x 30 years	\$16,800/year \$ 1,400/month

Base year income of \$60,000	
2.0% x (\$60,000 – \$14,750) x 30 years	
Total	\$27,504/year \$ 2,292/month

Base year income of \$90,000	
2.0% x (\$90,000 – \$14,750) x 30 years	
Total	\$45,150/year \$ 3763/month

Note: these calculations do not include credit for the years 2006 through 2010 based on the same formula.

## The Toronto Sun (Known as the Toronto Sun Plan for Non-Unionized Employees)

### Employee Contribution Formula

3.5% on eligible earnings up to the Yearly Maximum Pensionable Earnings (YMPE)  
5.0% on eligible earnings above the Yearly Maximum Pensionable Earnings (YMPE)

### Pension Benefit Formula

1.4% x (earnings up to YMPE – average best 5 years) x years of service.  
2.0% x (earnings greater than YMPE – average best 5 years) x years of service.

Pensions are indexed annually by the amount the "Financial Indicator" exceeds 7% in any year. The "Financial Indicator" is defined as "the average over 5 years ending the prior December 31 of the average yield on long-term (10 years or more) Government of Canada Bonds.

Employees may retire at the age of 61 with no penalty.

Note: Employees hired after January 1, 2008 are enrolled in the London Free Press Plan.

### Sample Calculations for 30 year Employee

Best five year average income of \$40,000	
1.4% x \$40,000 x 30 years	\$16,800/year \$ 1,400/month
Best five year average income of \$60,000	
1.4% x \$47,200 x 30 years	\$19,824
2.0% x (\$60,000 --- \$47,200) x 30 years	\$ 7,680
Total	\$27,504/year \$ 2,292/month
Best five year average income of \$90,000	
1.4% x \$47,200 x 30 years	\$19,824
2.0% x (\$90,000 --- \$47,200) x 30 years	\$25,680
Total	\$45,504/year \$ 3,792/month

### The London Free Press (Sun Media Plan for Unionized Employees)

#### Employee Contribution Formula

3.5% on eligible earnings up to the Yearly Maximum Pensionable Earnings (YMPE)  
5.0% on eligible earnings above the Yearly Maximum Pensionable Earnings (YMPE)

#### Pension Benefit Formula

1.25% x (earnings up to YMPE – best 5 year average) x years of service.  
1.75% x (earnings greater than YMPE – best 5 year average) x years of service.

Pensions are indexed annually equal to 50% of the increase in the consumer price index up to a maximum of 8%.

Employees may retire at the age of 65 with no penalty.

## Sample Calculations for 30 year Employee

Best five year average income of \$40,000  
1.4% x \$40,000 x 30 years \$16,800/year  
\$ 1,400/month

Best five year average income of \$60,000  
1.4% x \$47,200 x 30 years \$19,824  
1.75 x (\$60,000 --- \$47,200) x 30 years \$ 6,720  
Total \$26,544/year  
\$ 2,212/month

Best five year average income of \$90,000  
1.4% x \$47,200 x 30 years \$19,824  
1.75% x (\$90,000 --- \$47,200) x 30 years \$22,470  
Total \$42,294/year  
\$ 3,525/month

## Metroland

### Employee Contribution Formula

2.5% of Earnings up to the YMPE and 5% of Earnings above the YMPE up to a maximum of \$3,500 in a calendar year.

### Pension Benefit Formula

2.0% x (eligible earnings in base year 2005) x years of service.

Eligible earnings are the basic salary in the base year less 31.25% of the YMPE

Use the same formula for each subsequent year.

Employees may retire at the age of 65 with no penalty.

## Sample Calculations for 30 year Employee

Base year income of \$40,000  
2.0% x (\$40,000 - \$12,000) x 30 years \$16,800/year  
\$ 1,400/month

Base year income of \$40,000  
2.0% x (\$60,000 --- \$14,750) x 30 years \$27,504/year  
Total \$ 2,292/month

Note: these calculations do not include credit for the years 2006 through 2010 based on the same formula.

