

TABLE 11  
 "INTERMEDIATE COST" ESTIMATES—REQUIRED  
 PERCENTAGES OF CONTRIBUTORY EARNINGS

Calendar Year	Rate of Increase in Average Earnings	
	3% per annum	4% per annum
	%	%
1980.....	3.61	3.40
1985.....	4.50	4.16
1990.....	5.15	4.69
1995.....	5.47	4.94
2000.....	5.46	4.88
2005.....	5.25	4.67
2010.....	5.10	4.53
2015.....	5.21	4.64
2020.....	5.48	4.90
2025.....	5.71	5.11
2030.....	5.83	5.21
2035.....	5.86	5.23
2040.....	5.89	5.26
2045.....	5.93	5.29
2050.....	5.95	5.31

TABLE 12  
 FUND PROJECTIONS  
 (in billions)

End of Calendar Year	Rate of Increase in Average Earnings					
	3% per annum			4% per annum		
	High Cost	Low Cost	Intermediate Cost	High Cost	Low Cost	Intermediate Cost
	\$	\$	\$	\$	\$	\$
1975.....	4.9	4.9	4.9	5.0	5.0	5.0
1980.....	6.5	6.7	6.6	6.8	7.1	7.0
1985.....	6.7	7.5	7.1	7.5	8.4	8.0
1990.....	5.0	6.9	5.9	6.4	8.6	7.5
1995.....	0.8	4.4	2.6	2.9	7.1	5.0
2000.....	-6.2	-0.1	-3.2	-3.4	4.1	0.3
2005.....				-12.9	-0.2	-6.5

It will be noted from Tables 9 and 10 above that the "high cost" percentages of contributory earnings estimated to be required to provide for benefits and expenses of administration show an almost unbroken upward trend over the whole period covered by the estimates. The main reason for this trend is that, for the populations projected in accordance with the low fertility—low immigration (high cost) assumptions, the proportion of the "dependent" to the "productive" population increases almost continuously over the period. Since this proportion will have almost reached its limit by 2050, it follows that the "high cost" percentages will have almost reached their limit at the same time.

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