

Initial amount of annual pension

$$\begin{aligned}
 &= 28.00 \times 12 + 0.75 \left[\frac{1}{7} \left(2 \times \frac{5,000}{5,000} + \frac{5,000}{5,100} + \frac{5,000}{5,200} + \frac{5,000}{5,300} + \frac{5,000}{5,400} + \frac{5,000}{5,500} \right) \right. \\
 &\qquad\qquad\qquad \left. \times \frac{1}{3} (5,400 + 5,500 + 5,600) \times 0.25 \right] \\
 &= 336 + 990 \\
 &= \$1,326
 \end{aligned}$$

- (b) Suppose that a worker aged exactly 45 at the effective date has the same history of earnings from 1966 to 1980, inclusive, and, consequently, the same annual earnings ratios for those years, as the worker described in example (c) of subsection 5 above and that a disability pension becomes payable to him in January, 1981.

For this worker, the number of "highest" annual earnings ratios to be taken into account in calculating the average earnings ratio for the earnings-related part of his pension is $13\frac{1}{2}$ (that is, 90% of the number of years from age 45 to 60).

Average earnings ratio

$$\begin{aligned}
 &= \frac{10.7438}{13.5} \\
 &= 0.7958
 \end{aligned}$$

Initial amount of annual pension

$$\begin{aligned}
 &= 32.00 \times 12 + 0.75 \left[0.7958 \times \frac{1}{3} (6,200 + 6,300 + 6,400) \times 0.25 \right] \\
 &= 384 + 940 \\
 &= \$1,324
 \end{aligned}$$

- (c) Suppose that a worker aged exactly 18 on January 1, 1976, has annual pensionable earnings of \$3,000 for each year 1976 to 1980, inclusive, and that a disability pension becomes payable to him in January, 1981.

Initial amount of annual pension

$$\begin{aligned}
 &= 32.00 \times 12 + 0.75 \left[\frac{1}{5} \left(\frac{3,000}{5,900} + \frac{3,000}{6,000} + \frac{3,000}{6,100} + \frac{3,000}{6,200} + \frac{3,000}{6,300} \right) \right. \\
 &\qquad\qquad\qquad \left. \times \frac{1}{3} (6,200 + 6,300 + 6,400) \times 0.25 \right] \\
 &= 384 + 581 \\
 &= \$965
 \end{aligned}$$

7. Survivors' Pensions

(a) General

A widow, a "dependent" disabled widower or an orphan may become entitled to a survivor's pension. For entitlement to such a pension, the deceased contributor must have made contributions in

- (i) at least three calendar years, and
- (ii) the lesser of ten calendar years or one-third of the number of calendar years in which contributions could have been made.

By the expression "calendar years in which contributions could have been made" is meant all calendar years from the effective date of the Plan or from