

## Supplementary Pension Increase (SPI)

The Supplementary Pension Increase (SPI) is an adjustment the WSCC makes to an existing pension to maintain the purchasing power of that pension. The increase is indexed to the average Canadian Consumer Price Index (CPI) from July to June of each year.

The SPI is calculated as follows and is capped at a 4% increase annually. The Governance Council maintains the discretion to exceed the cap up the full CPI increase as calculated below.

$$\text{SPI for January of year } X = \left[ \left( \frac{\text{12 month average CPI [July of year (X - 2) to June of year (X - 1)]}}{\text{12 month average CPI [July of year (X - 3) to June of year (X - 2)]}} \right) - 1 \right] \times 100$$

Where: X = Year for Determination

The WSCC rounds a positive value SPI to the nearest hundredth of a percentage and it considers a negative value to be zero (0). When the SPI is zero (0), the pension payment amount does not increase.

Increases are applied to all existing pensions on January 1<sup>st</sup> annually.