



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-FOURTH LEGISLATURE

Bill 24

**An Act to amend certain pension
plans of the public and parapublic
sectors**

Introduction

**Introduced by
Mr Daniel Johnson
Minister for Administration and the Public Service
and Chairman of the Conseil du trésor**

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EXPLANATORY NOTES

The main object of this bill is to follow up certain proposals contained in the statement of intention made by the Government which is appended to the collective agreements in the public and parapublic sectors and which relates to the principal pension plans applicable to the employees covered by those agreements.

First of all, the bill adds two new permanent criteria for entitlement to an actuarially reduced pension under the Civil Service Superannuation Plan: an officer who attains the age of 60 years, or who, by adding his age to his number of years of service, obtains a total of 90 or more. The bill also provides that the rate of contribution to the Civil Service Superannuation Plan will no longer be revised but will remain, from 1 January 1990, at the rate in force for the year 1989.

In addition, the bill amends the early retirement program under the Civil Service Superannuation Plan and extends it until 30 June 1991. Officers under 65 years of age who are 62 years of age or older and who have 10 years of service may take advantage of the program.

The bill also extends the application of temporary criteria for entitlement to a pension provided for in the Act respecting the Government and Public Employees Retirement Plan until 1 July 1990. Furthermore, in all the pension plans covered by it, the bill makes certain amendments to the rule relating to exemption from contributions of an employee who is entitled to salary insurance benefits.

Finally, it introduces other amendments of a technical nature or for concordance in order to simplify the administration of pension plans.

ACTS AMENDED BY THIS BILL:

– The Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10);

– the Act respecting the Teachers Pension Plan (R.S.Q., chapter R-11);

– the Act respecting the Civil Service Superannuation Plan (R.S.Q., chapter R-12).

Bill 24

An Act to amend certain pension plans of the public and parapublic sectors

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

ACT RESPECTING THE GOVERNMENT AND PUBLIC EMPLOYEES RETIREMENT PLAN

1. Section 21 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) is replaced by the following section:

“21. The days and parts of a day of a period during which an employee is entitled to salary insurance benefits are credited with exemption from contributions up to two years of service.

However, exemption from contributions shall continue as long as the employee is entitled to salary insurance benefits under a compulsory plan in force on 31 December 1989 which, on that date, provides, in favour of certain groups of employees covered by this plan, benefits payable up to the age of 65 years or up to the age of retirement providing the employee belongs to one of those groups and the group's participation in the salary insurance plan is maintained.

If the salary insurance plan so provides, the insurer shall pay the contributions which would have been paid by the employee, and they shall be credited to the account of the employee.

The days and parts of a day during which a female employee receives the income replacement indemnity provided for in section 36 of the Act respecting occupational health and safety (chapter S-2.1) by reason of the exercise of a right granted under sections 40, 41 and 46 of the said Act, are credited with exemption from contributions.”

2. Section 85.17 of the said Act, amended by section 35 of chapter 82 of the statutes of 1988, is again amended by replacing the word and figures “31 December 1989” in the first line of the second paragraph by the word and figures “1 July 1990”.

3. Section 176 of the said Act is amended

(1) by replacing the words “, the Teachers Pension Plan and the Civil Service Superannuation Plan” in the second and third lines by the words “and of the Teachers Pension Plan”;

(2) by adding the following paragraph after the first paragraph:

“In the case of the Civil Service Superannuation Plan, the difference between the cost of the plan and the contributions paid by the officers within the meaning of that plan shall be assumed by the employers.”

4. Section 177 of the said Act is amended

(1) by replacing the words “the plans mentioned in section 174” in the second and third lines of the first paragraph by the words “the Government and Public Employees Retirement Plan and the Teachers Pension Plan”;

(2) by replacing the words “the plans” in the first line of the second paragraph by the words “such plans”;

(3) by adding, at the end of the second paragraph, the following: “In the case of the Civil Service Superannuation Plan, the rate of contribution shall no longer be revised and, from 1 January 1990, it shall remain at the rate in force for the year 1989.”

ACT RESPECTING THE TEACHERS PENSION PLAN

5. Section 18 of the Act respecting the Teachers Pension Plan (R.S.Q., chapter R-11) is replaced by the following section:

“18. The days and parts of a day of a period during which a teacher is entitled to salary insurance benefits are credited with exemption from contributions up to two years of service.

However, exemption from contributions shall continue as long as the teacher is entitled to salary insurance benefits under a compulsory plan in force on 31 December 1989 which, on that date, provides, in favour of certain groups of teachers covered by this plan, benefits

payable up to the age of 65 years or up to the age of retirement providing the teacher belongs to one of those groups and the group's participation in the salary insurance plan is maintained.

If the salary insurance plan so provides, the insurer shall pay the contributions which would have been paid by the teacher, and they shall be credited to the account of the teacher.

The days and parts of a day during which a female teacher receives the income replacement indemnity provided for in section 36 of the Act respecting occupational health and safety (chapter S-2.1) by reason of the exercise of a right granted under sections 40, 41 and 46 of the said Act, are credited with exemption from contributions."

ACT RESPECTING THE CIVIL SERVICE SUPERANNUATION PLAN

6. Section 56 of the Act respecting the Civil Service Superannuation Plan (R.S.Q., chapter R-12), amended by section 118 of chapter 82 of the statutes of 1988, is again amended

(1) by adding, after subparagraph 5 of the first paragraph, the following subparagraphs:

"(6) has attained 60 years of age;

"(7) by adding his age to the number of his years of service, obtains a total of 90 or more.";

(2) by inserting, after the first paragraph, the following paragraph:

"In the cases mentioned in subparagraphs 6 and 7 of the first paragraph, the pension of the officer is reduced for its duration by 0.5 % per month, computed for each month included between the date on which the pension is granted to the officer and,

(1) in the case described in subparagraph 6 of the first paragraph, the nearest date on which it would otherwise have been granted to him under subparagraph 2, 4 or 7 of the first paragraph;

(2) in the case described in subparagraph 7 of the first paragraph, the date of his sixtieth birthday."

7. Section 60 of the said Act is replaced by the following section:

"60. The days and parts of a day of a period during which an officer is entitled to salary insurance benefits are credited with exemption from contributions up to two years of service.

However, exemption from contributions shall continue as long as the officer is entitled to salary insurance benefits under a compulsory plan in force on 31 December 1989 which, on that date, provides, in favour of certain groups of officers covered by this plan, benefits payable up to the age of 65 years or up to the age of retirement providing the officer belongs to one of those groups and the group's participation in the salary insurance plan is maintained.

If the salary insurance plan so provides, the insurer shall pay the contributions which would have been paid by the officer, and they shall be credited to the account of the officer.

The days and parts of a day during which a female officer receives the income replacement indemnity provided for in section 36 of the Act respecting occupational health and safety (chapter S-2.1) by reason of the exercise of a right granted under sections 40, 41 and 46 of the said Act, are credited with exemption from contributions."

8. Section 72 of the said Act is amended by adding the words "or, as the case may be, any amount determined by the Government pursuant to sections 174 and 176 of the Act respecting the Government and Public Employees Retirement Plan" after the word "contribution" in the third line of the first paragraph.

9. Section 99.10 of the said Act is amended by replacing the first and second paragraphs by the following paragraphs:

"99.10 This subdivision applies to every officer under 65 years of age who is a member of the plan provided for in Division II and who has 10 or more years of service and is 62 years of age or older.

This subdivision also applies to every officer whose pension has become payable between 30 June 1989 and 1 January 1990 under the plan provided for in Division II."

10. Section 99.11 of the said Act is amended by replacing the third paragraph by the following paragraph:

"The amount mentioned in subparagraph 1 of the first paragraph shall be paid to the pensioner contemplated in the second paragraph of section 99.10 from the day on which he retired."

11. Section 99.12 of the said Act is amended

(1) by inserting the words "on the day on which the pensioner contemplated in the second paragraph of section 99.10 retired if, on

that date, he was receiving the adjusted retirement pension under the Québec Pension Plan or, as the case may be, on the day on which that pension became payable to him. In other cases, the amount becomes payable:" after the word "payable" in the second line of the first paragraph;

(2) by replacing the second paragraph by the following paragraph:

"No person is entitled to an amount under this section unless, in accordance with the first paragraph, that amount becomes payable on or before 1 July 1991."

12. Section 99.13 of the said Act is amended by replacing the second paragraph by the following paragraph:

"The first paragraph applies, where that is the case, to a pensioner contemplated in the second paragraph of section 99.10, from the day on which he retired."

13. Section 99.14 of the said Act is replaced by the following section:

"99.14 The amounts added under section 99.11 are adjusted annually, at the time prescribed under section 119 of the Act respecting the Québec Pension Plan, by the excess of the rate of increase in the Pension Index determined by the said Act over 3 %.

However, the first adjustment of the amount contemplated in subparagraph 1 of the first paragraph of section 99.11 is made in the same proportion as that of the first adjustment of the regular pension established in accordance with section 64.1."

14. Section 99.18 of the said Act, amended by section 149 of chapter 82 of the statutes of 1988, is again amended by replacing the first sentence of the first paragraph by the following sentence:

"Except with respect to a person who has availed himself of it, subdivision 3 has effect until 30 June 1991."

15. Sections 99.19 and 99.20 of the said Act are repealed.

16. Section 99.21 of the said Act is amended by striking out the first paragraph.

17. Section 119.3 of the said Act, enacted by section 154 of chapter 82 of the statutes of 1988, is amended by replacing the word “on” in the first line by the word “before”.

TRANSITIONAL AND FINAL PROVISIONS

18. The regulations made under paragraph 2 of section 130 of the Act respecting the Pension Plan of Peace Officers in Penal Institutions (R.S.Q., chapter R-9.2), under paragraphs 4, 6 and 17.1 of section 134 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10), under paragraphs 4 and 6 of section 73 of the Act respecting the Teachers Pension Plan (R.S.Q., chapter R-11), and under paragraphs 2 and 5 of section 109 of the Act respecting the Civil Service Superannuation Plan (R.S.Q., chapter R-12), as amended respectively by sections 212, 46, 90 and 150 of chapter 82 of the statutes of 1988, may, until 1 July 1990 and if they so provide, apply from any date not prior to 1 January 1989.

19. Sections 9 to 16 have effect from 1 July 1989.

20. Section 17 has effect from 1 January 1989.

21. This Act comes into force on 1 January 1990.