



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-FOURTH LEGISLATURE

Bill 126

An Act to amend various legislative provisions respecting pension plans in 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

This bill proposes various amendments to the pension plans of the public and parapublic sectors in order to implement certain proposals submitted by the Pension Committee and facilitate the administration of the pension plans.

First, the bill amends the Act respecting the Government and Public Employees Retirement Plan to give employees of the federal government who transfer to positions covered by the plan the option to become member of the Government and Public Employees Retirement Plan or of a plan similar to their former plan. The said Act is further amended to allow for the appointment of a substitute to the arbitrator in charge of re-examining certain decisions of the Pension Committee. The bill also provides that the decisions of the arbitrator or his substitute must be rendered in writing and give the reasons on which they are based.

Other amendments are proposed to the said Act with regard to early retirement so as to permit the addition of years of service only to categories and subcategories of employees determined by regulation and only when allowed under their terms of employment. With respect to non-unionizable employees, the Act is amended to permit the Pension Committee to set up a subcommittee responsible for re-examining certain decisions of the Commission administrative des régimes de retraite et d'assurances concerning those employees and an investment committee responsible for investing the sums of money derived from the contributions paid by them when they are members of the Government and Public Employees Retirement Plan.

Furthermore, the bill provides that, within the framework of the Government and Public Employees Retirement Plan, the Pension Plan of Peace Officers in Correctional Services, the Teachers Pension Plan and the Civil Service Superannuation Plan, every female employee, whether or not she is a teacher, will be entitled to be credited, without contributions and up to 120 contributory days, with the days of a maternity leave in progress on 1 July 1976 or which began after 1 July 1976 and ended before 1 July 1983.

The bill also amends the Pension Plan of Certain Teachers, the Pension Plan of Peace Officers in Correctional Services, the Teachers Pension Plan and the Civil Service Superannuation Plan to provide that the reduction of the pension payable under any of those pension plans cannot exceed the amount of pension paid under a plan similar to the plan established under the Act respecting the Québec Pension Plan.

Finally, the bill includes other amendments mainly of a technical or consequential nature.

ACTS AMENDED BY THIS BILL:

- Act respecting the Pension Plan of Certain Teachers (R.S.Q., chapter R-9.1);
- Act respecting the Pension Plan of Peace Officers in Correctional Services (R.S.Q., chapter R-9.2);
- Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10);
- Act respecting the Teachers Pension Plan (R.S.Q., chapter R-11);
- Act respecting the Civil Service Superannuation Plan (R.S.Q., chapter R-12).

Bill 126

An Act to amend various legislative provisions respecting pension plans in the public and parapublic sectors

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

ACT RESPECTING THE PENSION PLAN OF CERTAIN TEACHERS

1. Section 62 of the Act respecting the Pension Plan of Certain Teachers (R.S.Q., chapter R-9.1) is amended

(1) by striking out, at the end, the words “and of section 15 of the Constitution Act, 1982 (Schedule B to the Canada Act, chapter 1 in the 1982 volume of the Acts of the Parliament of the United Kingdom)”;

(2) by adding, at the end, the following paragraph:

“The provisions of this Act also apply notwithstanding the provisions of section 15 of the Constitution Act, 1982 (Schedule B to the Canada Act, chapter 11 in the 1982 volume of the Acts of the Parliament of the United Kingdom).”

ACT RESPECTING THE PENSION PLAN OF PEACE OFFICERS IN CORRECTIONAL SERVICES

2. Section 2 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (R.S.Q., chapter R-9.2) is amended by replacing the word and figure “and 10” in the sixth line by the figures and word “, 10 and 10.0.1”.

3. Section 32 of the said Act, amended by section 23 of chapter 7 of the statutes of 1990, is again amended

(1) by replacing the first paragraph by the following paragraphs:

“32. Every female employee who was granted a maternity leave while she was a member of the pension fund of officers of education established by Part VIII of the Education Act (Revised Statutes of Québec, 1964, chapter 235) or while she was a teacher within the meaning of the Teachers Pension Plan may be credited, without contributions and up to 90 contributory days, with the days of a maternity leave which was in progress on 1 July 1965 or which began after that date but ended before 1 July 1976, provided the leave has not been otherwise credited under this plan, and provided the 90-day period allows the employee to complete 95 % or more of the school year in which she was granted the maternity leave.

Every female employee who was granted a maternity leave may be credited, without contributions and up to 120 contributory days, with the days of the maternity leave which was in progress on 1 July 1976 or which began after that date but ended before 1 July 1983, provided the leave has not been otherwise credited under this plan.”;

(2) by inserting the words “referred to in the first or second paragraph” after the word “employee” in the first line of the second paragraph;

(3) by replacing the word “she” in the tenth line of the second paragraph by the words “the employee referred to in the first paragraph”.

4. Section 52 of the said Act is amended by inserting the words “or under a similar plan within the meaning of section 1 of that Act” after the words “(chapter R-9)” in the third line.

5. Section 75 of the said Act is amended by replacing the word and figure “and 10” in the fourth line of paragraph 1 by the figures and word “, 10 and 10.0.1”.

6. Section 82 of the said Act is amended by replacing the word and figure “and 10” in the second line of subparagraph 3 of the first paragraph by the figures and word “, 10 and 10.0.1”.

7. Section 103 of the said Act is amended by replacing the words “computed according to standards established” in the fourth line of the first paragraph by the words “established according to the actuarial assumptions and methods determined”.

8. The title of Division IV of Chapter V of the said Act is amended by replacing the word and figure “OR 10” in the sixth line by the figures and word “, 10 OR 10.0.1”.

9. Section 126 of the said Act is amended by adding, at the end of the second paragraph, the following sentence: "However, the actuarial value of the benefits resulting from the measure provided for in the second paragraph of section 32 must be included in the actuarial valuations only if the measure is applicable in respect of a female employee who was a teacher within the meaning of the Act respecting the Teachers Pension Plan when she was granted a maternity leave under that paragraph."

10. Section 130 of the said Act, amended by section 17 of chapter 5 of the statutes of 1990, is again amended by replacing paragraph 8 by the following paragraph:

"(8) determine the actuarial assumptions and methods to be used to establish the actuarial value of the pension referred to in section 103;"

ACT RESPECTING THE GOVERNMENT AND PUBLIC EMPLOYEES RETIREMENT PLAN

11. Section 3 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) is amended by replacing the word and figure "and 10" in the last line of the first paragraph by the figures and word ", 10 and 10.0.1".

12. The said Act is amended by inserting, after section 10, the following section:

"10.0.1 Employees of the federal government who transfer to an employment that is pensionable employment under this plan within the framework of an agreement between the government of Canada and the government of Québec may elect, in accordance with the rules and conditions fixed by the Government, to become members of this plan or of a pension plan established by the Government in respect of those employees or of each group of employees affected by such an agreement and similar to the plan to which they formerly belonged. Section 125 applies to the plan so established.

No order made under the first paragraph may have effect more than 6 months before its adoption."

13. Section 11 of the said Act is amended

(1) by replacing the word and figure "or 10" in the second line of the first paragraph by the figures and word ", 10 or 10.0.1";

(2) by replacing the word "The" at the beginning of the second paragraph by the words "In the case of section 9 or 10, the".

14. Section 54 of the said Act, amended by section 47 of chapter 87 of the statutes of 1990, is again amended by adding, at the end of the first paragraph, the following sentence: "However, as regards the deferred annuity, the amount obtained under the first paragraph of section 39 is indexed in the same manner as the deferred annuity until 1 January in the year in which the employee reaches 65 years of age."

15. Section 60 of the said Act is amended by replacing the word and figure "and 10" in the last line of paragraph 1 by the figures and word ", 10 and 10.0.1".

16. Section 67 of the said Act is amended by replacing the word and figure "and 10" in the second line of subparagraph 3 of the first paragraph by the figures and word ", 10 and 10.0.1".

17. Section 85.1 of the said Act, amended by section 54 of chapter 87 of the statutes of 1990, is again amended

(1) by replacing the first paragraph by the following paragraphs:

"85.1 Every female employee who was granted a maternity leave while she was a member of the pension fund of officers of education established by Part VIII of the Education Act (Revised Statutes of Québec, 1964, chapter 235) or while she was a teacher within the meaning of the Teachers Pension Plan may be credited, without contributions and up to 90 contributory days, for pension purposes under this plan, with the days of a maternity leave which was in progress on 1 July 1965 or which began after that date but ended before 1 July 1976, provided the 90-day period allows the employee to complete 95 % or more of the school year in which she was granted the maternity leave.

Every female employee who was granted a maternity leave may be credited, without contributions and up to 120 contributory days, for pension purposes under this plan, with the days of the maternity leave which was in progress on 1 July 1976 or which began after that date but ended before 1 July 1983.";

(2) by inserting the words "referred to in the first or second paragraph" after the word "employee" in the first line of the second paragraph;

(3) by replacing the word "she" in the eleventh line of the second paragraph by the words "the employee referred to in the first paragraph".

18. Section 85.2 of the said Act is amended by adding, at the end of the second paragraph, the words “as regards an employee who was granted a maternity leave while she was a member of the pension fund of officers of education established under Part VIII of the Education Act or while she was a teacher within the meaning of the Teachers Pension Plan”.

19. Section 85.20 of the said Act, amended by section 14 of chapter 32 of the statutes of 1990, is again amended by adding, at the end of the second paragraph, the following sentence: “However, the actuarial value of benefits resulting from the measure provided for in the second paragraph of section 85.1 must be included in the actuarial valuations only if the measure is applicable in respect of a female employee who was a teacher within the meaning of the Act respecting the Teachers Pension Plan when she was granted a maternity leave under that paragraph.”

20. Section 134 of the said Act, amended by section 29 of chapter 5 of the statutes of 1990, by section 20 of chapter 32 of the statutes of 1990 and by section 68 of chapter 87 of the statutes of 1990, is again amended by replacing the word and figure “and 10” in the fifth line of the first paragraph by the figures and word “, 10 and 10.0.1”.

21. Section 137 of the said Act, amended by section 69 of chapter 87 of the statutes of 1990, is again amended

(1) by replacing the word and figure “and 10” in the fourth line of the first paragraph by the figures and word “, 10 and 10.0.1”;

(2) by replacing the word and figure “and 10” in the fifth line of the second paragraph by the figures and word “, 10 and 10.0.1”.

22. Section 165 of the said Act is amended by replacing the word and figure “and 10” in the sixth line of paragraph 1 by the figures and word “, 10 and 10.0.1”.

23. Section 173 of the said Act is amended by adding, at the end, the following paragraph:

“However, the committee may delegate the reexamination power provided for in paragraph 1 of section 165 to a subcommittee whose members it shall appoint, where applications for reexamination are submitted by non-unionizable personnel, by beneficiaries who belonged to such a group of employees at the time they ceased to contribute to their plans or by beneficiaries who were the assigns, spouses or children of such employees. The subcommittee is composed of two representatives of the Government and of two representatives

of non-unionizable employees appointed after consultation with the member of the committee chosen from among the non-unionizable or supervisory personnel.”

24. The said Act is amended by inserting, after section 173, the following sections:

“CHAPTER II.1

“INVESTMENT COMMITTEE FOR NON-UNIONIZABLE EMPLOYEES

“173.1 An investment committee is established at the Commission to invest the funds derived from the contributions paid by non-unionizable employees who are members of the Government and Public Employees Retirement Plan.

“173.2 The committee is composed of the chairman of the Commission and of eight additional members appointed by the Government for a period not exceeding two years. Among the eight members, four shall represent the Government and the other four shall represent the employees.

“173.3 The committee is responsible for establishing, in respect of the funds referred to in section 173.1, general standards governing the distribution of investments which must be taken into account by the Caisse de dépôt et placement du Québec.

“173.4 Sections 166 to 172, adapted as required, apply to the committee.”

25. Section 179 of the said Act is amended by replacing the word and figure “and 10” in the sixth line of subparagraph 1 of the first paragraph by the figures and word “, 10 and 10.0.1”.

26. Section 181 of the said Act is amended by replacing the word and figure “and 10” in the third line of paragraph 1 by the figures and word “, 10 and 10.0.1”.

27. Section 183 of the said Act is amended

(1) by adding, at the end of the first paragraph, the following sentence: “It shall also appoint, in the same manner and for a period of 2 years, a substitute to replace the arbitrator whenever he is absent or unable to act.”;

(2) by replacing the word and figure “and 10” in the second and third lines of the second paragraph by the figures and word “, 10 and 10.0.1”.

28. Section 184 of the said Act is amended by inserting the words “in writing and give the reasons therefor” after the word “decision” in the second line.

29. Section 198 of the said Act is amended

(1) by replacing the word “and” in the second line of the first paragraph by the following:“,”;

(2) by replacing the words “may, after agreement with his employer,” in the third and fourth lines of the first paragraph by the words “and who belongs to a category or subcategory determined by regulation, among other things, according to his employer, may, after an agreement with the latter, to the extent that such an agreement is allowed under his conditions of employment,”;

(3) by striking out the first sentence of the second paragraph;

(4) by inserting the words “, which must not exceed 5,” after the word “number” in the second line of the second paragraph.

30. Section 223.1 of the said Act is amended

(1) by striking out the words “and of section 15 of the Constitution Act, 1982 (Schedule B to the Canada Act, chapter 11 in the 1982 volume of the Acts of the Parliament of the United Kingdom)” at the end of the first paragraph;

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

“They also apply notwithstanding the provisions of section 15 of the Constitution Act, 1982 (Schedule B to the Canada Act, chapter 11 in the 1982 volume of the Acts of the Parliament of the United Kingdom).”

31. Schedule I to the said Act, amended by Orders 584-90 of 2 May 1990 and 1643-90 of 28 November 1990, by section 24 of chapter 32 of the statutes of 1990, by section 56 of chapter 42 of the statutes of 1990 and by section 48 of chapter 46 of the statutes of 1990, is again amended by inserting the words “the Fondation de la faune du Québec” in paragraph 1 and alphabetically arranged.

32. Schedule III to the said Act, amended by section 25 of chapter 32 of the statutes of 1990, by section 57 of chapter 42 of the statutes of 1990 and by section 48 of chapter 46 of the statutes of 1990, is again amended by inserting the words “the Fondation de la faune du Québec” in paragraph 1 and alphabetically arranged.

ACT RESPECTING THE TEACHERS PENSION PLAN

33. Section 28.1 of the Act respecting the Teachers Pension Plan (R.S.Q., chapter R-11), amended by section 85 of chapter 87 of the statutes of 1990, is again amended

(1) by replacing the first paragraph by the following paragraphs :

“28.1 Every female teacher who was granted a maternity leave while she was a member of the pension fund of officers of education established by Part VIII of the Education Act (Revised Statutes of Québec, 1964, chapter 235) or while she was a teacher within the meaning of this Plan may be credited, without contributions and up to 90 contributory days, with the days of a maternity leave which was in progress on 1 July 1965 or which began after that date but ended before 1 July 1976, provided the 90-day period allows the teacher to complete 95 % or more of the school year in which she was granted the maternity leave.

Every female teacher who was granted a maternity leave may be credited, without contributions and up to 120 contributory days, with the days of the maternity leave which was in progress on 1 July 1976 or which began after that date but ended before 1 July 1983.”;

(2) by inserting the words “referred to in the first or second paragraph” after the word “teacher” in the first line of the second paragraph;

(3) by replacing the word “she” in the eighth line of the second paragraph by the words “the teacher referred to in the first paragraph”.

34. Section 28.6 of the said Act is amended by inserting, after the first paragraph, the following paragraph:

“However, the first paragraph does not apply to the actuarial value of benefits resulting from the measures provided in the second paragraph of section 32 of the Act respecting the Pension Plan of Peace Officers in Correctional Services, in the second paragraph of section 85.1 of the Act respecting the Government and Public Employees Retirement Plan and in the second paragraph of section 99.5 of the Act respecting the Civil Service Superannuation Plan if those measures apply to a person who was not a teacher within the meaning of this Act when she was granted a maternity leave referred to in those paragraphs.”

35. Section 40 of the said Act is amended by inserting the words "or under a similar plan within the meaning of section 1 of that Act" after the words "(chapter R-9)" in the third line.

36. Section 66 of the said Act is amended by replacing the words "computed in accordance with the norms established" in the fourth and fifth lines of the first paragraph by the words "established according to the actuarial assumptions and methods determined".

37. Section 73 of the said Act, amended by section 36 of chapter 5 of the statutes of 1990 and by section 33 of chapter 32 of the statutes of 1990, is again amended by replacing paragraph 9 by the following paragraph:

"(9) determine the actuarial assumptions and methods to be used to establish the actuarial value of the pension referred to in section 66;"

38. Section 78.1 of the said Act is amended

(1) by striking out the words "and of section 15 of the Constitution Act, 1982 (Schedule B to the Canada Act, chapter 11 in the 1982 volume of the Acts of the Parliament of the United Kingdom)" at the end of the first paragraph;

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

"Sections 28, 32 and 51 apply notwithstanding the provisions of section 15 of the Constitution Act, 1982 (Schedule B to the Canada Act, chapter 11 in the 1982 volume of the Acts of the Parliament of the United Kingdom).";

(3) by replacing the words "provided in this section" in the first line of the second paragraph by the words "relating to section 28".

ACT RESPECTING THE CIVIL SERVICE SUPERANNUATION PLAN

39. Section 63.5 of the Act respecting the Civil Service Superannuation Plan (R.S.Q., chapter R-12) is amended by replacing the words "Québec Pension Plan" in the second and third lines by the words "Act respecting the Québec Pension Plan (chapter R-9) or under a similar plan within the meaning of section 1 of that Act".

40. Section 74 of the said Act is amended by replacing the words "computed according to standards established" in the fourth and fifth

lines of the first paragraph by the words "established according to the actuarial assumptions and methods determined".

41. Section 99.5 of the said Act, amended by section 99 of chapter 87 of the statutes of 1990, is again amended

(1) by replacing the first paragraph by the following paragraphs :

"99.5 Every officer who was granted a maternity leave while she was a member of the pension fund of officers of education established by Part VIII of the Education Act (Revised Statutes of Québec, 1964, chapter 235) or while she was a teacher within the meaning of the Teachers Pension Plan may be credited, without contributions and up to 90 contributory days, with the days of a maternity leave which was in progress on 1 July 1965 or which began after that date but ended before 1 July 1976, provided the 90-day period allows the officer to complete 95 % or more of the school year in which she was granted the maternity leave.

Every officer who was granted a maternity leave may be credited, without contributions and up to 120 contributory days, with the days of the maternity leave which was in progress on 1 July 1976 or which began after that date but ended before 1 July 1983.";

(2) by inserting the words "referred to in the first or second paragraph" after the word "officer" in the first line of the second paragraph;

(3) by replacing the word "she" in the ninth line of the second paragraph by the words "the officer referred to in the first paragraph".

42. Section 99.21 of the said Act is amended by adding, at the end, the following sentence: "However, the actuarial value of benefits resulting from the measure provided in the second paragraph of section 99.5 must be included in the actuarial valuations only if the measure is applicable in respect of a female employee who was a teacher within the meaning of the Act respecting the Teachers Pension Plan when she was granted a maternity leave under that paragraph."

43. Section 109 of the said Act, amended by section 43 of chapter 5 of the statutes of 1990 and by section 46 of chapter 32 of the statutes of 1990, is again amended by replacing paragraph 7 by the following paragraph:

“(7) determine, for the purposes of this Act, the actuarial assumptions and methods to be used to establish the actuarial value;”.

44. Section 114.1 of the said Act is amended

(1) by striking out the words “and of section 15 of the Constitution Act, 1982 (Schedule B to the Canada Act, chapter 11 in the 1982 volume of the Acts of the Parliament of the United Kingdom)” at the end of the first paragraph;

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

“Sections 56 and 84, the first paragraph of section 90 and the ninth paragraph of section 96 apply notwithstanding the provisions of section 15 of the Constitution Act, 1982 (Schedule B to the Canada Act, chapter 11 in the 1982 volume of the Acts of the Parliament of the United Kingdom).”;

(3) by replacing the words “provided in this section” in the first line of the second paragraph by the words “relating to the first paragraph of section 90 and to the ninth paragraph of section 96”.

45. Section 114.2 of the said Act is repealed.

TRANSITIONAL AND FINAL PROVISIONS

46. A member of the staff of a minister or of a person referred to in section 124.1 of the Act respecting the National Assembly (R.S.Q., chapter A-23.1) who, on 5 November 1990, was a member of the Civil Service Superannuation Plan and who was not entitled to re-assignment to a position where this plan would have applied to him may avail himself of the third paragraph of section 54 of the Act respecting the Civil Service Superannuation Plan (R.S.Q., chapter R-12) if he applies therefor before 6 November 1991. In such a case, the order shall have effect from 6 November 1990.

47. Sections 4, 35 and 39 have effect from 1 January 1988, 12 August 1967 and 31 March 1966, respectively.

48. Section 14 has effect from 1 January 1991.

Section 14 applies only to employees who cease to contribute to the Government and Public Employees Retirement Plan after 31 December 1990 or who die after that date.

49. Section 29 has effect from (*insert here the date of introduction of this bill*).

50. Sections 31 and 32 have effect from 17 June 1988.

Schedules I and III to the Act respecting the Government and Public Employees Retirement Plan are deemed to have mentioned the "Fondation pour la conservation et la mise en valeur de la faune et de son habitat" from 12 January 1988 to 16 June 1988.

51. Sections 30, 38, 44 and 45 will come into force on 19 June 1991.

52. Section 1 will come into force on 26 June 1991.

53. Sections 3, 9, 17, 18, 19, 33, 34, 41 and 42 will come into force on (*insert here the date of the first day of the month following the date of assent to this Act*).

54. Subject to sections 51, 52 and 53, this Act comes into force on (*insert here the date of assent to this Act*).