

THIRD SESSION

THIRTY-FIRST LEGISLATURE

ASSEMBLÉE NATIONALE DU QUÉBEC

Bill 79

**An Act to amend the Act respecting retirement plans for
mayors and councillors of cities and towns**

First reading
Second reading
Third reading

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Ministre des affaires municipales





EXPLANATORY NOTE

This bill proposes to amend the Act respecting retirement plans for mayors and councillors of cities and towns (1974, chapter 48), so as to:

— extend the application of the general plan instituted under the act aforesaid to the mayors and councillors of village and rural municipalities who will join this plan by by-law;

— allow the locally elected persons participating in the general plan and holding office in supramunicipal bodies to add to their pensionable salary the remuneration, allowances and indemnities received from such bodies;

— entitle the administrative Commission of the retirement plan, on condition of being authorized by the Government, to conclude agreements with any body, corporation or institution for the purpose of allowing a member of the council who takes office in such body, corporation or institution to take into account, wholly or partly, the amounts accumulated to his credit under the general plan;

— enable the mayors and councillors who redeem or transfer years of prior service to receive a more substantial pension than presently possible because of the legal conditions of redemption and transfer.

Furthermore, this bill proposes some technical modifications which should be applied so as to facilitate the application of this act and to provide for situations that were not solved in the previous act.

Sec. 1. *This section is for concordance with section 2.*

Sec. 2. *This section, by modifying the word "municipality", extends the application of the general plan to mayors and councillors of village and rural municipalities whose council joins the said plan by by-law; the present definition of the word "municipality" only includes the city and town corporations.*

Sec. 3. *The third paragraph of section 7 presently reads as follows:
"The decision to participate in the general plan is irrevocable."*

Sec. 4. *Section 29a proposed by section 4 introduces entirely new legislation.*

Bill 79

An Act to amend the Act respecting retirement plans for mayors and councillors of cities and towns

HER MAJESTY, with the advice and consent of the Assemblée nationale du Québec, enacts as follows:

1974, c. 48,
title
replaced. **1.** The title of the Act respecting retirement plans for mayors and councillors of cities and towns (1974, chapter 48) is replaced by the following: “An Act respecting retirement plans for the mayors and councillors of the municipalities of Québec”.

1974, c. 48,
s. 1, am. **2.** Section 1 of the said act is amended by replacing paragraph *a* by the following:

“municipality;
 “(a) “municipality” means a city or town corporation by whatever act it may be governed, or a village or rural municipality;”.

1974, c. 48,
s. 7, am. **3.** Section 7 of the said act is amended by replacing the third paragraph by the following paragraph:

Decision
irrevocable.
 “The decision to participate in the general plan is irrevocable for the duration of the term or, as the case may be, of several successive terms of the member of the council.”

1974, c. 48,
s. 29a,
added. **4.** The said act is amended by inserting, after section 29, the following section:

Consequences of being member again.
 “**29a.** The payment of a pension granted by virtue of the general plan ceases, upon request from the beneficiary, if he again becomes a member of the council of a municipality which has joined the general plan.

Idem. In such case, he contributes again to the general plan and the pension he was receiving is computed again when he ceases to hold office in order to take into account the credited service

Sec. 5. *Section 32 presently reads as follows:*

“32. Every reimbursement provided for in this act shall be made between the ninetieth and one hundred and eightieth days following the reception by the Commission of an application of the person entitled to it, made in accordance with the form prescribed by regulation.”

Sec. 6. *The second paragraph of section 33 presently reads as follows:*

“Such a person may in addition redeem any period during which, between 1 January 1972 and 31 December 1974, he was a member of the council of the municipality.”

Sec. 7. *This section entitles the mayors and councillors of a village or rural municipality participating in the general plan to redeem any period, up to eight years, during which, prior to 1 January 1979, they were members of the council of such municipality.*

Sec. 8. *This section is for concordance with section 7.*

Sec. 9. *The second paragraph of section 37 presently reads as follows:*

“He may in addition redeem any period during which, between 1 January 1972 and 31 December 1974, he was a member of the council, and which was not the object of a transfer according to section 25.”

and the pensionable salary credited to him while he is holding such office.

No con-
tribution.

If the beneficiary elects to continue to receive his pension, he does not contribute to the general plan.”

1974, c. 48,
s. 32,
replaced.

5. Section 32 of the said act is replaced by the following section:

Delay for
reimburse-
ment.

“**32.** Every reimbursement provided for in this act is made on or before the one hundred and eightieth day following the reception by the Commission of an application of the person entitled to it, made in accordance with the form prescribed by regulation.”

1974, c. 48,
s. 33, am.

6. Section 33 of the said act is amended by replacing the second paragraph by the following paragraph:

Redemp-
tion of
prior
service.

“Such a person may in addition redeem any period during which, between 1 January 1972 and the date when his participation in the plan becomes effective, he was a member of the council of the municipality, if, however, the municipality joined the general plan before 31 December 1977.”

1974, c. 48,
s. 33a,
added.

7. The said act is amended by inserting, after section 33, the following section:

Redemp-
tion of
prior
service.

“**33a.** Notwithstanding section 33, every person who is, on 1 January 1979, a member of the council of a village or rural municipality which joins the general plan may, if he participates in the general plan, redeem any period up to eight years during which, prior to 1 January 1979, he was a member of the council of such municipality.

Idem.

Such a person may in addition redeem any period during which, between 1 January 1979 and the date when his participation in the plan becomes effective, he was a member of the council of the municipality, if, however, the municipality joined the general plan before 31 December 1980.”

1974, c. 48,
s. 34, am.

8. Section 34 of the said act is amended by replacing the first paragraph by the following paragraph:

Notice
and con-
tribution.

“**34.** The participant who intends to avail himself of section 33 or of section 33a must give written notice thereof to the municipality and to the Commission and pay to the municipality a contribution of 5½% of the pensionable salary which he received during the redeemed period.”

1974, c. 48,
s. 37, am.
Redemp-
tion of
prior

9. Section 37 of the said act is amended by replacing the second paragraph by the following paragraph:

“He may in addition redeem any period during which, be-

Sec. 10. This section fixes the pensionable salary of a participant who ceases to hold office as a member of the council following the amalgamation or annexation of the municipality the council of which he is a member.

Sec. 11. Sections 41a and 41b proposed by section 11 introduce entirely new legislation.

tween 1 January 1972 and the date when his participation becomes effective, he was a member of the council and which was not the subject of a transfer according to section 35, if, however, the municipality joined the general plan before 31 December 1977."

1974, c. 48,
s. 40, am.

10. Section 40 of the said act is amended by adding, at the end, the following paragraph:

Pension-
able
salary.

"For the purposes of this section, the pensionable salary is the one received by the participant upon ceasing to hold office as member of the council following the amalgamation or annexation thereof."

1974, c. 48,
ss. 41a,
41b, added.

11. The said act is amended by inserting, after section 41, the following division, title and sections:

"DIVISION VIII A

"SUPRAMUNICIPAL BODIES

Revenues
added to
pension-
able
salary.

"41 a. The participant in the general plan may add to his pensionable salary the remuneration, allowances and indemnities received from a supramunicipal body as member of such body, member of the council, of the board of directors or of the executive committee of such body, either solely or severally. As the case may be, he notifies the body and the Commission in the manner prescribed in section 7 and Division IV then applies, *mutatis mutandis*, as if the body were a municipality having joined the general plan.

Idem.

Such a participant may also add to his pensionable salary the remuneration, allowances and indemnities received as member of a supramunicipal body, member of the council, of the board of directors or of the executive committee of such body, either solely or severally, during a period not exceeding eight years prior to 1 January 1979. Section 34 is then applicable, *mutatis mutandis*.

Exception.

However, no member of the council or of the executive committee of a supramunicipal body who benefits, as such member, by a pension plan the terms and conditions of which are fixed by the Government may avail himself of this section.

Supra-
municipal
body.

"41 b. For the application of this division, a supramunicipal body means any public corporation whose council or board of directors, as for the majority of its members, is composed of a body of municipal elected members representing more than one municipality. This expression also means any commission or council created by law and which each member joins as head of the council or councillor of a municipality or of a county corporation."

Sec. 12. *This section entitles the Lieutenant-Governor in Council to determine the rates of interest for which this act provides for the fixing by regulation and, as the case may be, the rules governing the computing of the interest. Presently, paragraph a only entitles him to fix the rates of interest.*

Sec. 13. *This section is for concordance with section 2.*

Sec. 14. *Section 44a proposed by section 14 enables the granting to certain members of the council of a village or rural municipality a retirement indemnity similar to the one granted to the members of the council of a city or town corporation, under section 44 of the act.*

Section 44b proposed by section 14 introduces entirely new legislation.

Section 44c proposed by section 14 introduces entirely new legislation.

1974, c. 48,
s. 42, am.

12. Section 42 of the said act is amended by replacing subparagraph *a* of the first paragraph by the following subparagraph:

“(a) determine the rates of interest for which this act provides for the fixing by regulation and, as the case may be, the rules governing the computing of the interest;”.

Id., s. 43,
am.

13. Section 43 of the said act is amended by adding, at the end, the following paragraph:

Restricted
applica-
tion.

“This section applies only to the members of the council of a city or town corporation.”

1974, c. 48
ss. 44a-
44e,
added.

14. The said act is amended by inserting, after section 44, the following sections:

Applica-
bility.

“**44a.** Section 44 applies only to the members of the council of a city or town corporation.

Idem.

However, it may apply to the members of the council of a village or rural municipality if the latter hold office on 1 January 1979 and later cease to be so and if, in other respects, such persons fulfil, *mutatis mutandis*, the conditions enacted by paragraphs *b*, *c* and *d* of section 44.

Prescrip-
tion.

“**44b.** Notwithstanding paragraph *g* of section 1, the council of a municipality may, by by-law, for the purposes of Divisions VI and VII as well as sections 43, 44 and 44a, prescribe that the pensionable salary should be established, with regard to the office, according to the remuneration in force for the members of the council on 1 January 1978 or on the prior date when the participant or the person ceased to be member of the council.

Application
of by-law.

The by-law contemplated in the first paragraph has effect in respect of any redemption, transfer or retirement indemnity derived from the application of this act from or after 1 January 1975 as well as, where that is the case, in respect of any payment of pension or retirement indemnity made under this act from or after 1 January 1975.

The clerk or the secretary-treasurer of the municipality must send to the Commission a copy of the by-law accompanied with a certificate of the date of its coming into force.

A person wishing to avail himself of this section must so notify the Commission within 180 days from the coming into force of the by-law.

Agreement
authorized
by Govern-
ment.

“**44c.** The Government may authorize the Commission to conclude with any body, corporation or institution an agreement entitling a member of the council taking office in such body.

Section 44d proposed by section 14 introduces entirely new legislation.

Section 44e proposed by section 14 is transitional.

corporation or institution to take into account, wholly or partly, the amounts accumulated to his credit under this plan for pension purposes, in conformity with the conditions prescribed therein.

Member
not
reelected.

“**44d.** Every person who, on 1 January 1975, was member of the council of a municipality where a general election was held within six months after the date mentioned above, at which he did not stand for election, or who, having stood for election done so, was not reelected, may avail himself of Divisions VI and VII as well as of sections 43 and 44 from the time when the municipality joined the general plan, as though such person participated in the general plan.

Member
not
reelected.

“**44e.** Every person who is member of a municipality on the day preceding the nomination of candidates in view of the 1978 election in such municipality and who does not stand at such election or who, doing so, is not reelected, may avail himself of Divisions VI and VII as well as of sections 43 and 44 or, as the case may be, section 44a, from the time when the municipality joined the general plan, as though such person participated in the general plan.

Notice.

However, such person must give written notice of his decision to the Commission before 1 July 1979, failing which the first paragraph is not applicable.”

Effect of
ss. 6, 9, 12.

15. Sections 6, 9 and 12 have effect from 1 January 1975.

Coming
into force.

16. This act comes into force on the day of its sanction, except for sections 1, 2, 7, 8 and 11, as well as section 44a of the Act respecting retirement plans for mayors and councillors of the municipalities of Québec, as enacted by section 14, which will come into force on 1 January 1979.