

NATIONAL ASSEMBLY

SECOND SESSION

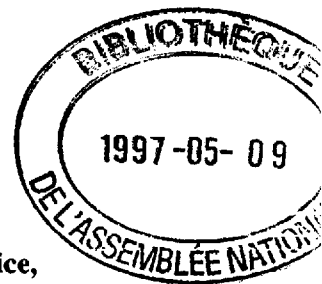
THIRTY-FIFTH LEGISLATURE

Bill 123

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

Introduction

**Introduced by
Mr Jacques Léonard
Minister for Administration and the Public Service,
Chairman of the Conseil du trésor**



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EXPLANATORY NOTES

The purpose of this bill is to amend the principal pension plans in the public and parapublic sectors to introduce certain requirements arising from the applicable fiscal rules applicable to the pension plans and to give effect to the agreement in principle between the Government and the principal unions on temporary retirement measures enacted by the Act respecting the reduction of labour costs in the public sector and implementing the agreements reached for that purpose.

The Act respecting the Pension Plan of Certain Teachers, the Act respecting the Government and Public Employees Retirement Plan, the Act respecting the Teachers Pension Plan and the Act respecting the Civil Service Superannuation Plan are amended to provide that a member ceases to participate in his or her pension plan at the latest on 31 December of the year in which he attains 69 years of age. However, the benefit earned by a person who continues to hold pensionable employment after that date is paid on the day after the day he or she ceases to be so employed.

The Acts mentioned above and the Act respecting the Pension Plan of Peace Officers in Correctional Services are amended to provide that interest on the amounts involved for the purchase of a period of leave without pay is calculated from the date of expiry of the proposal made by the Commission administrative des régimes de retraite et d'assurances instead of from the date on which the application is received by the Commission.

The Act respecting the Teachers Pension Plan and the Act respecting the Civil Service Superannuation Plan are also amended to enable a plan member to continue his or her participation in either plan even if the plan member holds, during a period of leave without pay, pensionable employment under the Act respecting the Government and Public Employees Retirement Plan.

The application of the provisions concerning the re-employment of a pensioner having availed himself or herself of the temporary retirement measures is suspended until 31 December 1997 to avoid the loss of certain advantages that had been granted under the Act respecting the Government and Public Employees Retirement Plan or the Act respecting the Civil Service Superannuation Plan.

In addition, the bill clarifies the provisions of the pension plans which relate to temporary retirement measures that give effect to the agreement in principle between the Government and the major unions. In that respect, the bill proposes more flexible rules to facilitate access to those measures for persons who wish to do so. Also, the Act respecting the Government and Public Employees Retirement Plan is amended to enable employees to obtain payment of acquired pension credits at a date that is subsequent to the date of retirement although not later than their 65th birthday. Another amendment will allow employees on sabbatical to retire under the temporary retirement measures without being penalized.

Finally, the bill contains the necessary technical or consequential amendments to facilitate the administration of the pension plans administered by the Commission administrative des régimes de retraite et d'assurances.

LEGISLATION 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 123

AN ACT TO AMEND VARIOUS LEGISLATIVE PROVISIONS OF THE 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 4.1 of the Act respecting the Pension Plan of Certain Teachers (R.S.Q., chapter R-9.1) is amended by adding, at the end, the following paragraph:

“Participation in this plan shall cease, at the latest, on 30 December of the year in which the person attains 69 years of age.”

2. Section 8 of the said Act is amended by replacing the figure “31.2” in the last line of the first paragraph by the figure “31.3”.

3. Section 17 of the said Act is amended by replacing the figure “71” in subparagraph 2 of the third paragraph by the figure “69”.

4. Section 19 of the said Act is amended by adding, at the end of the second paragraph, the following words: “except where he continues to hold pensionable employment under the plan after 30 December of the year in which he attains 69 years of age.”

5. Section 23 of the said Act is amended

(1) by replacing the words “paragraph 2” in the fourth line of the first paragraph by the words “subparagraph 2 of the first paragraph”;

(2) by replacing the words “that section” in the last line of the second paragraph by the words “the first paragraph of section 19”.

6. Section 24 of the said Act is amended by adding, at the end, the following paragraph:

“Notwithstanding the first paragraph, where an employee continues to hold pensionable employment after 30 December of the year in which he attains 69 years of age, the reduction provided for in the first paragraph applies from the month following that date as if he had retired.”

7. The said Act is amended by inserting, after section 27, the following division:

“DIVISION I.1

“MAXIMUM BENEFITS

“27.1. The pension amounts computed pursuant to Division I of this chapter shall be granted only within the limits authorized under the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement).”

8. Section 28 of the said Act is amended

(1) by striking out the words “or not later than 31 December of the year in which he attains 71 years of age” in the second and third lines;

(2) by inserting, after the first sentence, the following sentences: “The person is presumed to retire on the day after the day on which he ceases to participate in the plan. However, where the person continues to hold pensionable employment after 30 December of the year in which he attains 69 years of age, the day after the day on which the employee ceases to hold such an employment is the day on which he retires.”

9. Section 59 of the said Act is amended by inserting, after the first paragraph, the following paragraph:

“Even in the absence of an application for payment, any benefit payable under this Act shall be paid on or before 31 December of the year in which the person attains 69 years of age or, where he continues to hold pensionable employment under the plan on that date, from the date on which he retires.”

**ACT RESPECTING THE PENSION PLAN OF PEACE OFFICERS
IN CORRECTIONAL SERVICES**

10. Section 24.1 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (R.S.Q., chapter R-9.2) is amended by striking out the words “must apply to the Commission within 60 months after the date on which he ceased to be such a member of staff, and” in the first three lines of the second paragraph.

11. Section 30 of the said Act is amended by replacing the second sentence of the second paragraph by the following sentence: “Any amount paid by instalments bears interest, compounded annually, at the rate in force on the date the application is received under the Act respecting the Government and Public Employees Retirement Plan and computed from the date on which the redemption proposal made by the Commission expires.”

ACT RESPECTING THE GOVERNMENT AND PUBLIC EMPLOYEES RETIREMENT PLAN

12. Section 4 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) is amended by replacing the figure “71” in the second line of paragraph 2 by the figure “69”.

13. Section 5 of the said Act is amended by replacing the figure “71” in the second line by the figure “69”.

14. Section 19 of the said Act is amended by adding the words “under the provisions of the plan” at the end of the first sentence of the first paragraph.

15. Section 26 of the said Act is amended by replacing the second paragraph by the following paragraph:

“Any amount paid by instalments bears interest, compounded annually, at the rate in force on the date on which the application is received and computed from the date on which the redemption proposal made by the Commission expires.”

16. The said Act is amended by inserting, after section 31.2, the following section:

“31.3. The amounts paid pursuant to sections 31 to 31.2 must be qualifying employer premiums within the meaning of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement).”

17. Section 33 of the said Act is amended

(1) by replacing the first line of the first paragraph by the following:

“33. An employee who ceases to participate in the plan is entitled to a pension if he”,

and by striking out the word “who” in subparagraphs 1, 2, 3 and 4 of the first paragraph;

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

“The pension is granted to the employee on the date on which he retires within the meaning of section 40.”

18. The heading of subdivision 2 of Division I of Chapter IV of Title I of the said Act is amended by striking out the words “and payment”.

19. Section 35 of the said Act is amended by replacing the first paragraph by the following paragraph:

“35. The annual amount of the employee’s pension is equal, on the date on which he ceases to participate in the plan, to the total of the following amounts:

(1) the amount obtained by multiplying the average pensionable salary obtained pursuant to the first paragraph of section 36 by 2% per year of service credited before 1 January 1992;

(2) the amount obtained by multiplying the average pensionable salary obtained pursuant to the second paragraph of section 36 by 2% per year of service credited after 31 December 1991.”

20. Section 38 of the said Act is amended by replacing the words “under this division or, as the case may be, under Title IV.1” in the last two lines by the words “, at the time he ceased to participate in the plan, under this division or, as the case may be, pursuant to Title IV.1 where the related provisions of that Title have not ceased to have effect on the date on which he retires”.

21. Section 39 of the said Act is amended by adding, at the end, the following paragraph:

“However, where the employee continues to hold pensionable employment under the plan after 30 December of the year in which he attains 69 years of age, the reduction provided for in the first paragraph applies from the month following that date as if he had retired.”

22. The said Act is amended by inserting, after section 39, the following:

“§ 3. — *Maximum benefits*

“39.1. The pension amounts computed pursuant to subdivision 2 of this division shall be granted only within the limits authorized under the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement).

“§ 4. — *Payment of pension*”.

23. Section 40 of the said Act is replaced by the following section:

“40. The pension becomes payable to the employee entitled to it from the day on which he retires.

An employee who ceases to participate in the plan and is eligible for a pension without actuarial reduction is presumed to retire on the day after the day on which he ceases to participate in the plan. However, if the employee continues to hold pensionable employment under the plan after 30 December of the year in which he attains 69 years of age, the day after the day on which he ceases to hold such employment is the day on which he retires.

An employee who ceases to participate in the plan, who is eligible for an actuarially reduced pension and who applies therefor retires

(1) on the day after the day on which he ceases to participate in the plan, if his pension application is received at the Commission within 60 days of the day on which he ceases to participate in the plan;

(2) on the date of receipt of his pension application if the date falls more than 60 days after the date on which he ceased to participate in the plan, but not after the date on which the pension would otherwise have been granted to him without actuarial reduction at the time he ceased to participate in the plan;

(3) on the date indicated in his pension application if it is after the date of receipt of the application and the date on which he ceased to participate in the plan, but not after the date on which the pension would otherwise have been granted to him without actuarial reduction at the time he ceased to participate in the plan; or

(4) on the first date on which a pension would otherwise have been granted to him without actuarial reduction at the time he ceased to participate in the plan if the date of receipt of the pension application is subsequent to that date.

However, where the employee referred to in the third paragraph does not apply for a pension, he is presumed to retire on the first date on which a pension would otherwise have been granted to him without actuarial reduction at the time he ceased to participate in the plan."

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

"The first paragraph also applies to the spouse of the employee who ceased to participate in the plan and was eligible for a pension."

25. Section 43.2 of the said Act is amended by replacing the words "the employee" in the second line of the first paragraph by the words "a person participating in the plan".

26. Section 60 of the said Act, amended by section 15 of chapter 53 of the statutes of 1996, is again amended by replacing the figure "71" in the second line of the second paragraph by the figure "69".

27. Section 64 of the said Act is amended

(1) by replacing the words "or part of day preceding the day he retired" in the first and second lines of subparagraph 1 of the first paragraph by the words "he ceased to participate in the plan";

(2) by replacing the words “or part of day preceding the day he retired” in the first and second lines of subparagraph 2 of the first paragraph by the words “he ceased to participate in the plan”.

28. Section 66 of the said Act is amended

(1) by replacing the word “retired” in the second line of the first paragraph by the words “ceased to participate in the plan”;

(2) by replacing the words “benefits in the year he retired” in the second line of the second paragraph by the words “or would have received benefits in the year he ceased to participate in the plan”.

29. Section 73 of the said Act is amended by replacing the figure “71” in the third line by the figure “69”.

30. Section 78 of the said Act is amended

(1) by replacing the word “retired” in the second line of subparagraph 1 of the first paragraph by the words “ceased to participate in this plan”;

(2) by replacing the words “in the proportion provided for in subparagraph 1 of the first paragraph” in the second and third lines of the second paragraph by the words “proportionately to the number of days for which the pension was paid or would have been paid in the year in which the employee retired in relation to the total number of days in that year”.

31. Section 85.12 of the said Act is amended by adding, at the end, the following paragraph:

“Notwithstanding the first and second paragraphs, a pensioner who wishes to retain the amount added under section 85.7 and any benefit granted under section 85.9 is not entitled to the salary attached to the employment held. In that case, the pensioner continues to be entitled to such amount and such benefits, and his pension and other benefits shall continue to be paid to him and the provisions of the pension plans relating to a pensioner’s return to work do not apply.”

32. Section 85.16 of the said Act is amended by adding, at the end, the following paragraph:

“Notwithstanding the first and second paragraphs, a pensioner who wishes to retain his pension and other benefits is not entitled to the salary attached to the employment held. In that case, his pension and other benefits shall continue to be paid to him and the provisions of the pension plans relating to a pensioner’s return to work referred to in the first paragraph do not apply.”

33. Section 85.23 of the said Act, enacted by section 28 of chapter 7 of the statutes of 1997, is amended by replacing the first paragraph by the following paragraph:

“85.23. An employee who meets the requirements of subparagraphs 1 to 3 of the first paragraph of section 85.22 and who is eligible for a pension under this chapter before 2 July 1997 may cease to participate in the plan, retire and avail himself of the provisions of that chapter not later than 2 July 1997 or if he has sent to the Commission, within 30 days from the date of receipt of a statement of his benefits under the plan sent by the Commission for the application of the measures provided for in this chapter, an application for an estimate of his pension, at the end of a 30-day period after the date of receipt of an estimate of his pension made by the Commission, whichever is later.”

34. Section 85.27 of the said Act, enacted by section 28 of chapter 7 of the statutes of 1997, is amended by replacing the words “credited to her under section 221.1 or that has been recognized in her respect under that section for the purposes of entitlement to a pension under this plan” in the sixth, seventh and eighth lines of the first paragraph by the words “credited to that employee under section 221.1 solely for purposes of eligibility for a pension under this plan”.

35. Section 85.32 of the said Act, enacted by section 28 of chapter 7 of the statutes of 1997, is amended by replacing the words “3 July 1997” in the third line of the first paragraph by the words “the measures provided for in this chapter cease to apply in his respect and”.

36. Section 85.33 of the said Act, enacted by section 28 of chapter 7 of the statutes of 1997, is amended by replacing the last two sentences by the following: “The total amount paid in connection with departure incentives in respect of persons who availed themselves of the measures provided for in this chapter, in Division VII of Chapter IV of the Act respecting the Teachers Pension Plan and in Division II.2 of the Act respecting the Civil Service Superannuation Plan and the amount of the additional budget allotted to the Commission for the administration of such measures and for the costs arising from the financial services the Commission provides to the persons concerned by the measures must be added to the actuarial value of the commitments and benefits. The total amount paid between 21 March 1997 and 3 July 1997 in connection with departure incentives to persons covered by any other pension plan mentioned in paragraph 1 of section 165 must also be added to the actuarial value of such commitments and benefits.

The persons referred to in the first paragraph are persons who would be employees who may be unionized within the meaning of the Act respecting the Government and Public Employees Retirement Plan on 31 December 1996 and at the time they cease to participate in their pension plan.”

37. Section 85.34 of the said Act, enacted by section 28 of chapter 7 of the statutes of 1997, is amended

(1) by replacing the figure “66.6” in the third line of the first paragraph by the figure “66.7”;

(2) by inserting the words “, in respect, in the latter two cases, of persons who would be employees who may be unionized within the meaning of the Act respecting the Government and Public Employees Retirement Plan on 31 December 1996 and at the time they cease to participate in their pension plan,” after the word “Plan” in the fifth line of the first paragraph;

(3) by replacing the figure “66.6” in the second line of the second paragraph by the figure “66.7”;

(4) by striking out the words “pursuant to section 130” in the fifth line of subparagraph 2 of the second paragraph.

38. Section 86 of the said Act is amended

(1) by striking out the words “up to a maximum of 15 years” in the third line of the first paragraph;

(2) by replacing the last paragraph by the following paragraphs:

“The Government may determine, by regulation, the number of years or parts of years of past service as a remunerated trainee that may be credited to an employee who belongs to a category or subcategory determined by the regulation, in particular, according to his employer, subject to the rules, terms and conditions prescribed by the regulation; such number may vary according to the category or subcategory.

However, the total number of years or parts of years of past service that may be credited to an employee under the first and second paragraphs shall not exceed 15 years and those for which a pension or deferred pension is payable under a pension plan shall not be credited.”

39. Section 91 of the said Act is amended by adding, at the end of the first paragraph, the following sentence: “However, the employee may, on request, obtain that his pension credit be granted to him on any date subsequent to the date on which he retires but not later than the date of his sixty-fifth birthday.”

40. Section 92 of the said Act is amended by replacing the words “annual pension” in the first line of the first paragraph by the words “pension credit”.

41. Section 96 of the said Act is amended by replacing the figure “71” in subparagraph 2 of the second paragraph by the figure “69”.

42. Section 107 of the said Act is amended by adding, at the end, the following sentence: “The pension credit shall also be adjusted in the same manner for the period between the date on which the person ceases to participate in the plan and the date on which the pension credit is granted.”

43. Section 114.1 of the said Act is amended by striking out the words “must apply to the Commission within 60 months after the date on which he

ceased to be such a member of staff, and” in the first three lines of the second paragraph.

44. Section 134 of the said Act is amended by inserting, after paragraph 11.2, the following paragraph:

“(11.3) determine, for the purposes of the second paragraph of section 86, categories or subcategories of employees and rules, terms and conditions to have years or parts of years of past service as a paid trainee credited; determine, for the purposes of that paragraph, the years or parts of years of past service which may be credited and their number, which may vary according to the category or subcategory;”.

45. Section 151 of the said Act is amended by replacing the word “either” in the fifth line of the first paragraph by the word “any” and by adding, at the end of the first paragraph, the following subparagraph:

“(3) 31 December of the year in which the person attains 69 years of age or the date on which he retires after that date if he continues to hold pensionable employment under his plan after 31 December of that year.”

46. Section 201 of the said Act is amended by adding, at the end, the following paragraph:

“Notwithstanding the first paragraph, a pensioner who wishes to retain the pension amount pertaining to the number added to his years of service is not entitled to the salary attached to the employment held. In that case, the reduction provided for in that paragraph does not apply and his pension shall continue to be paid to him, and the provisions of the pension plans relating to a pensioner’s return to work do not apply.”

47. Section 207 of the said Act is amended

(1) by inserting the words “referred to in the first paragraph” after the word “person” in the first line of the second paragraph;

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

“Notwithstanding the first paragraph, a person referred to in the first paragraph who wishes to retain the amount added to his pension is not entitled to the salary attached to the employment held. In that case, the pensioner shall continue to be entitled to the amount added to his pension which shall continue to be paid to him and the second paragraph and the provisions of the pension plans relating to the return to work of a pensioner under 65 years of age do not apply.”

48. Section 215 of the said Act is amended

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

“215. The measures provided for by this Title are under the responsibility of the Government. However, the measures set out in Chapters II and V are under the responsibility of employers required to pay contributory amounts to the Commission under section 31 of this Act, section 31 of the Act respecting the Teachers Pension Plan or section 72 of the Act respecting the Civil Service Superannuation Plan.”;

(2) by replacing the words “of a measure” in the first line of the second paragraph by the words “of the measures provided for by this Title”.

49. Section 215.0.2 of the said Act is amended by adding, at the end, the following paragraph:

“Notwithstanding the first and second paragraphs, a pensioner who wishes to retain his pension and other benefits is not entitled to the salary attached to the employment held. In that case, his pension and other benefits shall continue to be paid to him and the provisions of the pension plans relating to a pensioner’s return to work referred to in the second paragraph do not apply.”

50. Section 215.13 of the said Act, amended by section 29 of chapter 7 of the statutes of 1997, is again amended by replacing the words “that result from agreements to reduce certain costs arising from a collective agreement” in the seventh, eighth and ninth lines of subparagraph 1 of the first paragraph by the words “to reduce certain costs arising from the conditions of employment”.

51. Section 216 of the said Act is amended by adding, at the end, the following paragraph:

“Even in the absence of an application for payment, any benefit payable under this plan shall be paid on or before 31 December of the year in which the employee attains 69 years of age or, where he continues to hold pensionable employment under the plan on that date, from the date on which he retires.”

52. Section 221 of the said Act is amended by replacing the second sentence of the last paragraph by the following sentence: “Any amount paid by instalments bears interest, compounded annually, at the rate in force on the date on which the application is received and computed from the date on which the redemption proposal made by the Commission expires.”

53. Schedule I to the said Act, amended by Orders in Council 556-96 and 557-96 dated 15 May 1996, 821-96 dated 3 July 1996, 1051-96 dated 28 August 1996, 1493-96 dated 4 December 1996 and 1589-96 dated 18 December 1996, is again amended by inserting the words “Hypothèques CDPQ, Société en nom collectif” in paragraph 1, in alphabetical order.

54. Schedule II to the said Act, amended by Order in Council 556-96 dated 15 May 1996, is again amended by inserting the words “, except employees of the Collège Français primaire inc. and the Collège Français (1965) inc. engaged after (*insert here the date preceding the date of assent to Bill 123 of 1997*) during the years or parts of a year in which they pay contributions to the

Régime général des retraites de l'État français" after the words "Private educational institutions accredited for purposes of subsidies by virtue of the Act respecting private education (chapter E-9.1)" in paragraph 1.

ACT RESPECTING THE TEACHERS PENSION PLAN

55. Section 4 of the Act respecting the Teachers Pension Plan (R.S.Q., chapter R-11) is amended by replacing the figure "71" in the second line by the figure "69".

56. Section 5 of the said Act is amended by inserting, after the first paragraph, the following paragraph:

"A teacher who, during a leave without pay, holds pensionable employment under the Government and Public Employees Retirement Plan is a member of this plan in respect of that employment."

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

"Even in the absence of an application for payment, any benefit payable under this plan shall be paid on or before 31 December of the year in which the teacher attains 69 years of age or, where he continues to hold pensionable employment under the plan on that date, from the date on which he retires."

58. Section 16 of the said Act is amended by adding the words "under the provisions of the plan" at the end of the first sentence of the first paragraph.

59. Section 21 of the said Act is amended by striking out the last two paragraphs.

60. The said Act is amended by inserting, after section 31.1, the following section:

"31.2. The amounts paid pursuant to this division must be qualifying employer premiums within the meaning of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement)."

61. Section 32 of the said Act is amended

(1) by replacing the first line of the first paragraph by the following:

"32. Any teacher who ceases to participate in the plan is entitled to a pension if the teacher"

and by striking out the word "who" in subparagraphs 1 to 7 of the first paragraph;

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

"The pension is granted to the teacher on the date on which he retires within the meaning of section 41."

62. Section 34 of the said Act is amended by replacing the first paragraph by the following paragraph:

"34. The annual amount of the teacher's pension is equal, on the date on which he ceases to participate in the plan, to the total of the following amounts:

(1) the amount obtained by multiplying the average pensionable salary obtained pursuant to the first paragraph of section 35 by 2% per year of service credited before 1 January 1992;

(2) the amount obtained by multiplying the average pensionable salary obtained pursuant to the second paragraph of section 35 by 2% per year of service credited after 31 December 1991."

63. Section 37 of the said Act is amended

(1) by inserting the words "at the time she ceased to participate in the plan" after the word "dates" in the seventh line of the first paragraph;

(2) by inserting the words "at the time he ceased to participate in the plan" after the word "him" in the fourth line of the second paragraph.

64. Section 38 of the said Act is amended by adding, at the end of the last paragraph, the following sentence: "In addition, where the teacher continues to hold pensionable employment under the plan after 30 December of the year in which he attains 69 years of age, the reduction applies from the month following that date as if he had retired."

65. The said Act is amended by inserting, before the heading of subdivision 3 of Division I of Chapter IV, the following subdivision:

"§ 2.1. — *Maximum benefits*

"40.1. The pension amounts computed pursuant to subdivision 2 of this division shall be granted only within the limits authorized under the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement)."

66. Section 41 of the said Act is replaced by the following section:

"41. The pension becomes payable to the teacher entitled to it from the day on which he retires.

A teacher who ceases to participate in the plan and is eligible for a pension without actuarial reduction is presumed to retire on the day after the day on which he ceases to participate in the plan. However, if the teacher continues to hold pensionable employment under the plan after 30 December of the year in

which he attains 69 years of age, the day after the day on which he ceases to hold such employment is the day on which he retires.

A teacher who ceases to participate in the plan, who is eligible for an actuarially reduced pension and who applies therefor retires

(1) on the day after the day on which he ceases to participate in the plan, if his pension application is received at the Commission within 60 days after the day on which he ceases to participate in the plan;

(2) on the date of receipt of his pension application if the date falls more than 60 days after the date on which he ceased to participate in the plan, but not after the date on which the pension would otherwise have been granted to him without actuarial reduction at the time he ceased to participate in the plan;

(3) on any date indicated in his pension application if it is after the date of receipt of the application and the date on which he ceased to participate in the plan, but not after the date on which the pension would otherwise have been granted to him without actuarial reduction at the time he ceased to participate in the plan; or

(4) on the first date on which a pension would otherwise have been granted to him without actuarial reduction at the time he ceased to participate in the plan if the date of receipt of the pension application is subsequent to that date.

However, where the teacher referred to in the third paragraph does not apply for a pension, he is presumed to retire on the first date on which a pension would otherwise have been granted to him without actuarial reduction at the time he ceased to participate in the plan.”

67. Section 44 of the said Act is amended by adding, at the end, the following paragraph:

“The first paragraph also applies to the spouse of the teacher who ceased to participate in the plan and was eligible for a pension.”

68. The said Act is amended by inserting, after section 45, the following section:

“45.1. The pension computed pursuant to subparagraph 2 of the first paragraph of section 44 and pursuant to paragraph 2 of section 45 shall not exceed $66\frac{2}{3}\%$ of the pension that the pensioner was receiving or, as the case may be, would otherwise have been entitled to receive, or that the teacher would have been entitled to receive, after the reduction provided for in section 38.”

69. Section 61 of the said Act is amended by replacing the figure “71” in the second line of the second paragraph by the figure “69”.

70. Section 64 of the said Act is amended

(1) by inserting the words “, except that of a deferred pension,” after the word “pension” in the first line;

(2) by replacing the word “retired” in the second line of paragraph 1 by the words “ceased to participate in this plan”;

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

“In the case of a deferred pension, the first indexing is made proportionately to the number of days for which the pension was paid or would have been paid during the year in which the teacher retired in relation to the total number of days in that year.”

71. Section 66.1 of the said Act, enacted by section 31 of chapter 7 of the statutes of 1997, is amended by replacing the word “before” in the fourth line of paragraph 1 by the word “after”.

72. Section 66.2 of the said Act, enacted by section 31 of chapter 7 of the statutes of 1997, is amended by replacing the first paragraph by the following paragraph:

“66.2. A teacher who meets the requirements of paragraph 1 of section 66.1 and who is eligible for a pension under this division before 2 July 1997 may cease to participate in the plan, retire and avail himself of the provisions of that division not later than 2 July 1997 or if he has sent to the Commission, within 30 days after the date of receipt of a statement of his benefits under the plan sent by the Commission for the application of the measures provided for in this division, an application for an estimate of his pension, at the end of a 30-day period after the date of receipt of an estimate of his pension made by the Commission, whichever is later.”

73. Section 66.6 of the said Act, enacted by section 31 of chapter 7 of the statutes of 1997, is amended by replacing the words “3 July 1997” in the second line by the words “the measures provided for in this division cease to apply in his respect and”.

74. Section 76.1 of the said Act is amended by replacing the second sentence of the second paragraph by the following sentence: “Any amount paid by instalments bears interest, compounded annually, at the rate in force on the date the application is received under the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) and computed from the date on which the redemption proposal made by the Commission expires.”

ACT RESPECTING THE CIVIL SERVICE SUPERANNUATION PLAN

75. Section 3 of the Act respecting the Civil Service Superannuation Plan (R.S.Q., chapter R-12) is amended by replacing the figure “71” in the second line by the figure “69”.

76. Section 53.1 of the said Act is amended by replacing the figure “71” in the third line by the figure “69”.

77. Section 54 of the said Act is amended by inserting, after the third paragraph, the following paragraph:

“An officer who, during a leave without pay, holds pensionable employment under the Government and Public Employees Retirement Plan is a member of the plan provided for by this division in respect of that employment.”

78. Section 56 of the said Act is amended

(1) by replacing the first line of the first paragraph by the following:

“**56.** An officer who ceases to participate in the plan is entitled to a pension if he”;

(2) by inserting the words “, at the time he ceased to participate in the plan,” after the word “him” in the second line of subparagraph 1 of the second paragraph;

(3) by inserting the words “, at the time he ceased to participate in the plan,” after the word “reduction” in the sixth line of the third paragraph;

(4) by replacing the fourth paragraph by the following paragraph:

“The pension to which the officer is entitled is granted to him on the date on which he retires within the meaning of section 68.”

79. Section 58 of the said Act is amended by adding the words “under the provisions of the plan” at the end of the first sentence of the first paragraph.

80. Section 63 of the said Act is amended by replacing the first paragraph by the following paragraph:

“**63.** The annual amount of the officer’s pension is equal, on the date on which he ceases to participate in the plan, to the total of the following amounts:

(1) the amount obtained by multiplying the average pensionable salary obtained pursuant to the first paragraph of section 63.1 by 2% per year of service credited before 1 January 1992;

(2) the amount obtained by multiplying the average pensionable salary obtained pursuant to the second paragraph of section 63.1 by 2% per year of service credited after 31 December 1991.”

81. Section 63.3 of the said Act is amended by adding, at the end of the last paragraph, the following sentence: “In addition, where the officer continues to hold pensionable employment under the plan after 30 December of the year

in which he attains 69 years of age, the reduction applies from the month following that date as if he had retired.”

82. The said Act is amended by inserting, after section 63.7, the following section:

“**63.7.1.** The pension amounts computed pursuant to the second and third paragraphs of section 56, sections 63 to 63.3 and sections 63.6 and 63.7 shall be granted only within the limits authorized under the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement).”

83. Section 63.8 of the said Act is amended by replacing the figure “71” in the second line of the second paragraph by the figure “69”.

84. Section 64.1 of the said Act is amended

(1) by inserting the words “, except that of the deferred pension,” after the word “pension” in the first line;

(2) by replacing the word “retired” in the second line of paragraph 1 by the words “ceased to participate in the plan”;

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

“In the case of a deferred pension, the first indexing is made proportionately to the number of days for which the pension was paid or would have been paid during the year in which the officer retired in relation to the total number of days in that year.”

85. Section 66.1 of the said Act is amended by striking out the last two paragraphs.

86. Section 68 of the said Act is replaced by the following section:

“**68.** The pension becomes payable to the officer entitled to it from the day on which he retires. The pension is paid to the pensioner for life.

An officer who ceases to participate in the plan and is eligible for a pension without actuarial reduction is presumed to retire on the day after the day on which he ceases to participate in the plan. However, if the officer continues to hold pensionable employment under the plan after 30 December of the year in which he attains 69 years of age, the day after the day on which he ceases to hold such employment is the day on which he retires.

An officer who ceases to participate in the plan, who is eligible for an actuarially reduced pension and who applies therefor retires

(1) on the day after the day on which he ceases to participate in the plan, if his pension application is received at the Commission within 60 days of the day on which he ceases to participate in the plan;

(2) on the date of receipt of his pension application if the date falls more than 60 days after the date on which he ceased to participate in the plan, but not after the date on which the pension would otherwise have been granted to him without actuarial reduction at the time he ceased to participate in the plan;

(3) on the date indicated in his pension application if it is after the date of receipt of the application and the date on which he ceased to participate in the plan, but not after the date on which the pension would otherwise have been granted to him without actuarial reduction at the time he ceased to participate in the plan; or

(4) on the first date on which a pension would otherwise have been granted to him without actuarial reduction at the time he ceased to participate in the plan if the date of receipt of the pension application is subsequent to that date.

However, where the officer referred to in the third paragraph does not apply for a pension, he is presumed to retire on the first date on which a pension would otherwise have been granted to him without actuarial reduction at the time he ceased to participate in the plan.”

87. The said Act is amended by inserting, after section 72.2, the following section:

“72.3. The amounts paid pursuant to the first and second paragraphs of section 72 and sections 72.1 and 72.2 must be qualifying employer premiums within the meaning of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement).”

88. Section 76 of the said Act is amended by adding, at the end, the following paragraphs:

“The first paragraph also applies to the spouse of an officer who ceased to participate in the plan and was eligible for a pension.

The pension computed pursuant to subparagraph 2 of the first paragraph shall not exceed $66 \frac{2}{3}\%$ of the pension that the pensioner was receiving or, as the case may be, would otherwise have been entitled to receive, or that the officer would have been entitled to receive, after the reduction provided for in section 63.3.”

89. Section 99.16 of the said Act is amended by adding, at the end, the following paragraph:

“Notwithstanding the first and second paragraphs, a pensioner who wishes to retain the amounts added under section 99.11 and the benefit granted, as the case may be, under section 99.13, is not entitled to the salary attached to the employment held. In that case, those amounts, the benefit and his pension shall continue to be paid to him, and the provisions of the pension plans

relating to a pensioner's return to work referred to in the second paragraph do not apply."

90. Section 99.22 of the said Act, enacted by section 33 of chapter 7 of the statutes of 1997, is amended by replacing the word "before" in the fourth line of paragraph 2 by the word "after".

91. Section 99.23 of the said Act, enacted by section 33 of chapter 7 of the statutes of 1997, is amended by replacing the first paragraph by the following paragraph:

"99.23. An officer who meets the requirements of paragraphs 1 and 2 of section 99.22 and who is eligible for a pension under this division before 2 July 1997 may cease to participate in the plan, retire and avail himself of the provisions of that division not later than 2 July 1997 or if he has sent to the Commission, within 30 days from the date of receipt of a statement of his benefits under the plan sent by the Commission for the application of the measures provided for in this division, an application for an estimate of his pension, at the end of a 30-day period after the date of receipt of an estimate of his pension made by the Commission, whichever is later."

92. Section 99.27 of the said Act, enacted by section 33 of chapter 7 of the statutes of 1997, is amended by replacing the words "3 July 1997" in the second line by the words "the measures provided for in this division cease to apply in his respect and".

93. Section 111 of the said Act is amended by adding, at the end, the following paragraph:

"Even in the absence of an application for payment, any benefit payable under the pension plans provided for in this Act shall be paid on or before 31 December of the year in which the officer attains 69 years of age or, where he continues to hold pensionable employment under the plan on that date, from the date on which he retires."

94. Section 112.1 of the said Act is amended by replacing the second sentence of the second paragraph by the following sentence: "Any amount paid by instalments bears interest, compounded annually, at the rate in force on the date the application is received under the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) and computed from the date on which the redemption proposal made by the Commission expires."

MISCELLANEOUS AND TRANSITIONAL PROVISIONS

95. Any employee of the Collège Marie de France, the Collège Stanislas inc., the Collège Français primaire inc. or the Collège Français (1965) inc. who, on (*insert here the date preceding the date of assent to this Act*), is a member of the Government and Public Employees Retirement Plan or the Teachers Pension Plan may cease to participate in his plan and obtain,

notwithstanding any inconsistent provision of the plans, a reimbursement of contributions if he pays, on that date, contributions to the Régime général des retraites de l'État français. To that end, the employee shall send a notice to the Commission administrative des régimes de retraite et d'assurances before 1 July 1998 and, from the date on which the Commission receives the notice, he ceases to participate in his plan.

The Commission shall refund to the employee who sent the notice provided for in the first paragraph the contributions relating to the years and parts of years of service in respect of which he also paid contributions to the Régime général des retraites de l'État français with, where applicable, interest accrued at the rate and in the manner provided for by the Act respecting the Government and Public Employees Retirement Plan.

96. Any person who is not a pensioner or a member of the Government and Public Employees Retirement Plan or Teachers Pension Plan but who was a member of either of those plans before (*insert here the date of assent to this Act*) may, notwithstanding any inconsistent provision of either plan, obtain the refund of the contributions relating to the years and parts of years of service in respect of which, while he was an employee of the Collège Marie de France, the Collège Stanislas inc., the Collège Français primaire inc. or the Collège Français (1965) inc., he also paid contributions to the Régime général des retraites de l'État français with, where applicable, interest accrued at the rate and in the manner provided for by the Act respecting the Government and Public Employees Retirement Plan. To that end, the person shall send a notice to the Commission before 1 July 1998.

97. Notwithstanding any inconsistent provision of the Act respecting the Government and Public Employees Retirement Plan, the following years shall not be credited or transferred to that plan in respect of an employee who has availed himself of section 95 or 96:

(1) the years or parts of years of service in respect of which contributions were refunded pursuant to section 95 or 96;

(2) the years and parts of years of service subsequent to (*insert here the date preceding the date of assent to this Act*) at the Collège Marie de France, the Collège Stanislas inc., the Collège Français primaire inc. or the Collège Français (1965) inc. while the employee was not participating in the Government and Public Employees Retirement Plan or the Teachers Pension Plan and was paying contributions to the Régime général des retraites de l'État français.

98. Sections 85.12, 85.16, 201, 207 and 215.0.2 of the Act respecting the Government and Public Employees Retirement Plan and section 99.16 of the Act respecting the Civil Service Superannuation Plan, as they read before 1 January 1998, and section 215.5.2 of the Act respecting the Government and Public Employees Retirement Plan, as it read before 16 March 1995, do not apply in respect of pensioners who held or returned to pensionable employment

under the Government and Public Employees Retirement Plan or the Pension Plan of Peace Officers in Correctional Services before that date.

99. Notwithstanding the second paragraph of section 3.1 of the Act respecting the Government and Public Employees Retirement Plan, the second paragraph of section 2.2 of the Act respecting the Teachers Pension Plan or the second paragraph of section 55.1 of the Act respecting the Civil Service Superannuation Plan, where a person ceases to participate in those plans and does not hold pensionable employment, is eligible for a pension under Chapter V.2 of Title I of the Act respecting the Government and Public Employees Retirement Plan, Division VII of Chapter IV of the Act respecting the Teachers Pension Plan or Division II.2 of the Act respecting the Civil Service Superannuation Plan, as the case may be, and has not made an application for redemption of years or parts of years of service under any of those plans, the person is deemed, for the purposes of eligibility for and computation of the benefits under any of those plans, to have ceased to participate on the first day he became eligible for his pension after 21 March 1997 under that Chapter V.2 or one of the said divisions.

100. Notwithstanding the Act respecting the Government and Public Employees Retirement Plan, the Act respecting the Teachers Pension Plan and the Act respecting the Civil Service Superannuation Plan, a pensioner under any of those plans who has availed himself of the measures provided for in Chapter V.2 of Title I of the Act respecting the Government and Public Employees Retirement Plan, Division VII of Chapter IV of the Act respecting the Teachers Pension Plan or Division II.2 of the Act respecting the Civil Service Superannuation Plan may redeem years or parts of years of service in accordance with the provisions of any of those plans if his application for redemption is received by the Commission administrative des régimes de retraite et d'assurances on or before 11 July 1997. However, the redemption cost shall be paid in cash in accordance with those provisions.

101. For the purposes of subparagraph 4 of the first paragraph of section 3 of the Act respecting the Pension Plan of Certain Teachers (R.S.Q., chapter R-9.1), a hospital school of nursing situated in Québec is considered to be a private institution belonging to a religious community or the secular clergy as regards a person who is a member of the Government and Public Employees Retirement Plan, the Teachers Pension Plan or the Civil Service Superannuation Plan.

102. Notwithstanding any inconsistent provision of the Act respecting the Government and Public Employees Retirement Plan, for the purposes of the provisions of that Act which relate to the measure concerning the sabbatical with deferred salary, an agreement relating to that measure entered into by a person who retires while on sabbatical to avail himself of one of the measures referred to in section 85.33 of that Act is deemed to end on the date preceding the date on which the person retires.

103. The employees of the Centre régional des achats en groupe des établissements de santé et de services sociaux de la région du Saguenay Lac

St-Jean (02) have been participating in the Government and Public Employees Retirement Plan since 1 April 1994.

104. The provisions of the first regulation under paragraph 11.3 of section 134 of the Act respecting the Government and Public Employees Retirement Plan made after (*insert here the date of assent to this Act*) may, where the regulation so provides, have effect from any date not prior to 22 March 1997.

105. The provisions of the first regulation under section 215.12 and subsection 1 of section 215.13 of the Act respecting the Government and Public Employees Retirement Plan made after (*insert here the date of assent to this Act*) may, where the regulation so provides, have effect from any date not prior to 1 January 1996 to the extent that those provisions concern alternative work schedules or the granting of leave without pay.

106. Sections 5 and 21 of the Act respecting the Teachers Pension Plan and sections 54 and 66.1 of the Act respecting the Civil Service Superannuation Plan, as they read on 30 June 1997, continue to apply in respect of a person whose leave without pay is ending before or in progress on 1 July 1997.

107. Sections 1, 3, 4, 6, 8, 9, 12, 13, 21, 23, 26, 29, 41, 45, 51, 55, 57, 64, 66, 69, 75, 76, 81, 83, 86 and 93, adapted as required, also apply to persons who attain 70 or 71 years of age in 1997.

108. Sections 17, 19, 20, 22 to 24, 30, 42, 61 to 63, 65 to 68, 70, 78, 80, 82, 84, 86 and 88 apply in respect of persons who ceased to participate in the plan after 31 December 1995 and who retire or die after 30 June 1997.

109. Sections 11, 15, 52, 74 and 94 apply in respect of any redemption proposal made by the Commission administrative des régimes de retraite et d'assurances after 30 June 1997.

110. Section 48 applies to the measures referred to in Chapters II and V of Title IV of the Act respecting the Government and Public Employees Retirement Plan which are applicable on 1 January 1998 or begin to be applicable after that date.

111. Section 53 has effect from 31 July 1996.

112. Sections 33 to 40, 44, 71 to 73, 90 to 92, 99 to 102 have effect from 22 March 1997.

113. This Act comes into force on (*insert here the date of assent to this Act*), except sections 1 to 4, 6 to 9, 11 to 30, 41, 42, 45, 51, 52, 55 to 70, 74 to 88, 93, 94 and 106 to 109 which will come into force on 1 July 1997 and sections 31, 32, 46 to 49, 89, 98 and 110 which will come into force on 1 January 1998.