



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-SIXTH LEGISLATURE

Bill 131

(2000, chapter 32)

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

Introduced 11 May 2000

Passage in principle 25 May 2000

Passage 16 June 2000

Assented to 16 June 2000

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EXPLANATORY NOTES

This bill proposes various amendments to the Acts respecting the pension plans in the public and parapublic sectors to give effect to the agreements entered into by the Government and the representatives of the main associations of employees of the state. This bill proposes other amendments reflecting for the most part various recommendations of the pension committees.

The bill modifies the pension eligibility criteria provided for in the Act respecting the Government and Public Employees Retirement Plan by allowing retirement without actuarial reduction at 60 years of age or after 35 years of service. A new formula for the indexing of pensions is proposed for years of service subsequent to 31 December 1999. Furthermore, employees on leave without pay during a year or having at least one day of service in a calendar year will be entitled to be credited with a full year for the purposes of pension eligibility.

The bill also provides for new reduced contribution rates for the years 2000 and 2001 and allows for additional benefits to be added to the amount of an employee's pension. In addition, it defines the powers of the pension committees of unionizable and non-unionizable employees.

The bill proposes other amendments to the Government and Public Employees Retirement Plan that are to apply specifically to non-unionizable employees. The bill introduces additional pension eligibility criteria removing any actuarial reduction for employees who have reached 55 years and whose age and years of service total 88. The actuarial pension reduction factor is also lowered for those employees and the average of the best three years of salary earned is retained as pensionable salary for the purpose of computing the amount of pension.

Moreover, the bill allows non-unionizable employees who are members of the Teachers Pension Plan or the Civil Service Superannuation Plan to elect to participate in the Government and Public Employees Retirement Plan according to a special contribution rate.

The bill also proposes various amendments applicable to all the pension plans of the public and parapublic sectors, in particular by allowing the offset, total or partial, as the case may be, of the actuarial reduction applicable to pension benefits, broadening the notion of spouse and relaxing certain rules for appeal. In addition, the bill proposes, in respect of those plans, except for the Pension Plan of Peace Officers in Correctional Services, an extension of the time during which a person may be exempted from the payment of contributions by reason of disability.

The bill also amends the Teachers Pension Plan and the Civil Service Superannuation Plan, in particular to propose a new pension adjustment formula for years of service beginning after 31 December 1999, allow the redemption of a paid training period and provide adjustments to the provisions relating to the minimal benefits guaranteed by the plan and to the benefits for physical or mental disability.

Lastly, the bill proposes amendments of a technical nature, concerning in particular the financing of some of the proposed improvements and the applicability of the Government and Public Employees Retirement Plan to certain bodies.

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 131

AN ACT TO AMEND THE PENSION PLANS OF THE PUBLIC AND PARAPUBLIC SECTORS

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS :

ACT RESPECTING THE PENSION PLAN OF CERTAIN TEACHERS

1. The Act respecting the Pension Plan of Certain Teachers (R.S.Q., chapter R-9.1) is amended by inserting the following section after section 8 :

“8.1. The person referred to in the first paragraph of section 8, who is a non-unionizable employee within the meaning of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10), shall contribute to this plan according to the contribution rate provided for in the said Act that is applicable to unionizable employees, from which 1% must be subtracted.

However, the reduction of 1% must not be considered for the purposes of sections 31 to 31.2 of the Act respecting the Government and Public Employees Retirement Plan, nor for the purposes of Chapter VI.1 of this Act or for the purpose of computing the benefits payable under this plan.”

2. Section 33 of the said Act, amended by section 20 of chapter 14 of the statutes of 1999, is again amended by adding the following at the end: “or who, during the year preceding the employee’s or pensioner’s death, was living in a conjugal relationship with the employee or pensioner while one of the following situations occurred :

- (1) a child was or is to be born of their union;
- (2) they adopted a child together; or
- (3) one of them adopted a child of the other.”

3. The said Act is amended by inserting the following division after section 35.8:

“DIVISION III.3**“ADDITIONAL BENEFITS**

“35.9. A person is entitled, if the limit provided for in section 22 is not reached, to have amounts provided for in sections 73.1 and 73.2 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) added to the amount of the person’s pension in respect of the years or parts of a year of service which are used for the purposes of eligibility for a pension under this plan and in respect of which a paid-up annuity certificate has been issued or pension credit has been granted under section 101, 113 or 158 of that Act. The second paragraph of section 23 of this Act and sections 73.5 and 73.7 of the Act respecting the Government and Public Employees Retirement Plan, adapted as required, apply in respect of pension amounts so added.

The pension amounts added under the first paragraph must be consistent with the limits prescribed by regulation, if not, the amounts shall be adjusted in the manner prescribed in the regulation.

This section does not apply to a retired person who, after 31 December 1999, applies for the redemption of service pursuant to which the person has years or parts of a year credited under this plan and in respect of which pension credit is granted under sections 101, 113 and 158 of the Act respecting the Government and Public Employees Retirement Plan.”

4. Section 41.8 of the said Act is amended by inserting the following paragraph after paragraph 1 :

“(1.1) establish the limits applicable to a pension amount added under section 35.9 and the manner in which an amount that exceeds the limits is to be adjusted;”.

ACT RESPECTING THE PENSION PLAN OF PEACE OFFICERS IN CORRECTIONAL SERVICES

5. Section 58 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (R.S.Q., chapter R-9.2), amended by section 21 of chapter 14 of the statutes of 1999, is again amended by adding the following at the end: “or who, during the year preceding the employee’s or pensioner’s death, was living in a conjugal relationship with the employee or pensioner while one of the following situations occurred :

- (1) a child was or is to be born of their union ;
- (2) they adopted a child together ; or
- (3) one of them adopted a child of the other.”

6. Section 140 of the said Act is amended by adding the following paragraph after the second paragraph :

“However, where a beneficiary has not applied, within the time limit provided for in the second paragraph, for a review of the reduction amount of the beneficiary’s pension applicable from the month following the beneficiary’s sixty-fifth birthday, the beneficiary may do so within one year after the date on which the Commission mails the confirmation of the application of that reduction.”

ACT RESPECTING THE GOVERNMENT AND PUBLIC EMPLOYEES RETIREMENT PLAN

7. Section 21 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) is amended

(1) by replacing “two” in the last line of the first paragraph by “three”;

(2) by replacing “two” in the first line of the second paragraph by “three”.

8. The said Act is amended by inserting the following section after section 21 :

“21.1. A person referred to in the first paragraph of section 21 who, under the salary insurance plan provided for in the person’s conditions of employment, is entitled only to salary insurance benefits for a maximum period of two years of service, shall continue to participate in the plan, even if the person’s employer has terminated the person’s employment, during the year following the last day of that two-year period, if on that day the person is disabled within the meaning of the person’s salary insurance plan.

During that year, the service credited to that person, without contributions, is the service that would have been credited if the person had held employment and the person’s pensionable salary is the salary the person would have received.

However, the service credited to a person who dies, resigns or retires during the year following the two-year period provided for in the first paragraph shall be reduced by the period between the date of the event and the end of that year. The service credited under this section to a person who again holds pensionable employment during that period shall be reduced by the period between the person’s first day of service in pensionable employment and the end of that year.”

9. Section 24.0.1 of the said Act is amended by replacing “under section 13” in the third line by “under section 13 or 215.0.0.1.1”.

10. Section 29 of the said Act is amended by replacing “to 7% from” in the eleventh line of the first paragraph by “to the contribution rate determined by regulation under section 177, applied to”.

11. Section 33 of the said Act is amended by replacing the first paragraph by the following paragraph:

“33. For the purposes of this plan, the normal retirement age is 65 years of age. However, an employee who ceases to participate in the plan is entitled to a pension if the employee

- (1) has attained 60 years of age;
- (2) has at least 35 years of service;
- (3) has attained 55 years of age, subject to section 38.”

12. Section 38 of the said Act is amended

(1) by replacing “In the cases described in subparagraphs 3 and 4 of the first paragraph of section 33” in the first and second lines by “Where an employee is entitled to a pension under subparagraph 3 of the first paragraph of section 33,”;

(2) by replacing “the pension” in the third and fourth lines by “that pension”;

(3) by replacing “or, as the case may be,” in the sixth line by “and, if applicable, under section 215.0.0.6 or”;

(4) by adding the following paragraph at the end:

“Where section 74.1 applies, the amount of the employee’s pension established under the first paragraph must take into account the provisions of the regulation made under section 74.2.”

13. Section 44 of the said Act, amended by section 23 of chapter 14 of the statutes of 1999, is again amended by adding the following at the end: “or who, during the year preceding the employee’s or pensioner’s death, was living in a conjugal relationship with the employee or pensioner while one of the following situations occurred:

- (1) a child was or is to be born of their union;
- (2) they adopted a child together; or
- (3) one of them adopted a child of the other.”

14. The said Act is amended by inserting the following division after section 73:

“DIVISION IV.1**“ADDITIONAL BENEFITS**

“73.1. The amount of the employee’s pension is increased by an amount of pension equal to 1.1% of the average pensionable salary used in computing the employee’s pension for each year and part of a year :

(1) the employee had credited under this plan and in respect of which the employee obtained a paid-up annuity certificate or in respect of which pension credit is or would have been granted to the employee ;

(2) that have been recognized, solely for purposes of eligibility, to a female employee under section 221.1 ;

(3) that have been recognized, solely for purposes of eligibility, to an employee for the amounts corresponding to years and parts of years so recognized and transferred into a locked-in retirement account after the employee’s employer has been designated as a body referred to in Schedule I or after the employee’s participation in the plan after a vote has been taken under section 6 or 7 of the Act.

“73.2. An employee who is under 65 years of age is also entitled to have a pension amount of \$230 added to the amount of the employee’s pension for each of the years considered pursuant to section 73.1. The amount is payable until the end of the month in which the pensioner attains 65 years of age.

“73.3. Section 38 applies in respect of any pension amounts added under sections 73.1 and 73.2.

“73.4. The pension amounts added under sections 73.1 and 73.2 must be consistent with the limits prescribed by regulation, if not, the amounts shall be adjusted in the manner prescribed in the regulation.

“73.5. The pension amounts added under sections 73.1 and 73.2 are indexed annually, at the time prescribed under section 119 of the Act respecting the Québec Pension Plan (chapter R-9), by the excess of the rate of increase of the Pension Index determined by that Act over 3%. Section 78 applies to the indexing.

“73.6. The reduction of 2% referred to in section 43.1 does not apply to the pension amount added under section 73.2 and the pension granted to the spouse, in case of the death of the pensioner, shall be computed without reference to that amount.

“73.7. Section 73.1 applies to an employee who is entitled to a deferred pension. However, that section and section 73.2 do not apply to the person who ceased to participate in the plan before 31 December 1999 nor to a pensioner under this plan, the Pension Plan of Peace Officers in Correctional

Services, the Teachers Pension Plan, the Civil Service Superannuation Plan, the Pension Plan of Certain Teachers or pension plans established under sections 9, 10 and 10.0.1, who holds or again holds pensionable employment except, in the latter case, in respect of the years and parts of a year of service that have already entitled the pensioner to the amounts referred to in those sections.

The pension of the spouse of an employee who dies after becoming eligible for a pension and the amounts paid to the spouse or successors of an employee who dies before becoming eligible for a pension must take into account the benefit provided for in section 73.1.”

15. The said Act is amended by inserting the following sections after section 74:

“74.1. For each calendar year from 1 January 1987, the days and parts of a day that are not credited to an employee who holds pensionable employment under the plan for at least one day during that calendar year shall be considered solely for purposes of eligibility for a pension.

However, during the year in which the employee begins to participate in the plan, the days comprised between 1 January and the first day on which the employee holds pensionable employment shall not be considered for the purposes of eligibility. Moreover, during the year in which the employee ceases to participate in the plan, the days comprised between the last day on which the employee holds pensionable employment and 31 December shall not be considered, but where the employee ceases to participate in the plan when the employee is not holding pensionable employment, the days, if any, shall be considered until the date on which the Commission receives an application for the redemption of service by virtue of which the employee had years and parts of a year of service credited or counted under the plan or until the employee becomes eligible for a pension.

Subject to section 74, the first and second paragraphs also apply to an employee to whom the days and parts of a day during which the employee was on leave without pay were not credited pursuant to section 24.

This section does not apply for the purposes of Division III of Chapter IV of this Title.

“74.2. For the purposes of section 74.1, the Government may, by regulation, establish a factor of reduction of a pension and criteria for the application of that factor. The Government may also designate categories and subcategories of employees to whom the factor and the criteria are not applicable.”

16. Section 77 of the said Act is amended

(1) by replacing “, by the excess of that rate over 3%” in subparagraph 2 of the first paragraph by “but prior to 1 January 2000, by the excess of the rate of the increase of the Pension Index over 3%.”;

(2) by inserting the following subparagraph after subparagraph 2 of the first paragraph:

“(3) for that part attributable to service subsequent to 31 December 1999, by the formula provided for in subparagraph 2 of this paragraph or by one-half of the rate of increase of the Pension Index, according to the formula which is the most advantageous.”;

(3) by inserting the following paragraph after the first paragraph:

“Where the number of years of service credited exceeds 35 years, subparagraphs 1 to 3 of the first paragraph are applied in the order which is the most advantageous for the pensioner.”

17. Section 86 of the said Act, amended by section 5 of chapter 73 of the statutes of 1999, is again amended by striking out “not later than 1 January 2000” in the third and fourth lines of subparagraph 2 of the first paragraph.

18. Section 87 of the said Act, amended by section 6 of chapter 73 of the statutes of 1999, is repealed.

19. Section 98 of the said Act is amended by replacing “section 13” in the first line of the first paragraph by “section 13 or 215.0.0.1.1”.

20. Section 99 of the said Act is amended by inserting the following paragraph after the first paragraph:

“The regulations made under section 75.1 of the Act respecting the Teachers Pension Plan (chapter R-11), section 111.2 of the Act respecting the Civil Service Superannuation Plan (chapter R-12) and the sections of those Acts which concern the eligibility for a pension and the payment of a pension by reason of permanent and total disability, in force on 1 January 2000, apply to an employee if the years or parts of a year of service that had been credited under the plans established by those Acts have been credited under this plan in accordance with section 98, until a pension becomes payable under this plan. The provisions apply only if they are more advantageous than those of this plan.”

21. Section 107 of the said Act is amended by replacing the second sentence by the following sentence: “Where the person is entitled, under section 33, to a pension on the date on which the person ceases participating in the plan, the pension credit shall also be adjusted in the same manner for the period between that date and the date on which the pension credit is granted.”

22. Section 107.1 of the said Act, enacted by section 8 of chapter 73 of the statutes of 1999, is replaced by the following:

“107.1. The Government may increase, by regulation applicable from 1 January 2000, the pension credits obtained under section 101, fix the limits applicable to the increases and provide for special provisions that may vary from those provided for in sections 91, 92 and 107 by using the actuarial surplus pertaining to the pension credits. The Government shall determine the portion of the surplus to be applied to the increase and the application of the special provisions and, if applicable, the rules of redistribution of the surpluses.

Subsequently, the pension credits may be increased from 1 January of each year that follows the production of the actuarial valuation of the pension credits where the valuation determines a surplus. The Government may, for that purpose, exercise the powers provided for in the first paragraph.

The manner in which pension credits are adjusted and the special provisions applicable under the first and second paragraphs may vary according to the nature of the pension credits and the supplemental pension plan under which they were obtained.”

23. The said Act is amended by inserting the following section after section 115.9:

“115.10. An employee who participates in the retirement plan established by the Government under section 10 and who, in accordance with that plan, elects to participate in this plan, shall be credited, for pension purposes, with the years and parts of a year of service credited under the retirement plan established by the Government in accordance with that section.

The years and parts of a year of service credited under that plan shall be credited, for pension purposes, to the employee who, for the reasons provided for in that plan, ceases to hold pensionable employment under that plan and holds, within 180 days, pensionable employment under this plan.

The first and second paragraphs apply to the employee if the employee has not received a refund of the employee’s contributions or if the service credited to the employee is not recognized under this plan.”

24. Section 125 of the said Act is amended

(1) by striking out “and any amendment made will be at the expense of the employees if it entails additional costs”;

(2) by adding the following sentence at the end: “Any amendment entailing additional costs for the plan may be authorized by the Government.”

25. The said Act is amended by inserting the following section after section 131:

“131.1. Notwithstanding section 130, the sums necessary for the payment of the additional benefits provided for in sections 73.1 and 73.2 are taken out of the employees’ contribution fund at the Caisse de dépôt et placement du Québec.”

26. Section 133 of the said Act is amended by inserting “and for the transfers made under sections 133.10 and 215.0.0.19” after “130” in the second line.

27. The said Act is amended by inserting the following after section 133 :

“DIVISION III

“FINANCING FOR THE PURPOSES OF DIVISION IV.1 OF CHAPTER IV WITH RESPECT TO EMPLOYEES OTHER THAN THOSE GOVERNED BY TITLE IV.0.1

“133.1. The actuarial value of the additional benefits resulting from the application of Division IV.1 of Chapter IV of this Title, with respect to employees who at the time they ceased to participate in the plan were not governed by Title IV.0.1, shall be financed by the unionizable employees’ contribution fund at the Caisse de dépôt et placement du Québec up to an amount of 680 million dollars on 1 January 2000.

The actuarial value of the additional benefits which exceeds the amount provided for in the first paragraph shall be financed by the consolidated revenue fund.

“133.2. The actuarial value of the additional benefits referred to in section 133.1 and pertaining to the years and parts of a year referred to in paragraphs 1 to 3 of section 73.1 and in respect of which benefits were obtained on 31 December 1999 shall be established within six months of the filing of the actuarial valuation provided for in section 174 on the basis of the data finalized on 31 December 1999. The actuarial value shall be established on the basis of the assumptions used in that valuation and bear interest from 1 January 2000.

“133.3. The actuarial value of the additional benefits referred to in section 133.1 and pertaining to the years and parts of a year referred to in paragraphs 1 to 3 of section 73.1 and in respect of which benefits were acquired after 31 December 1999 shall be established on 1 January of each year in which the benefits are acquired. Each of the actuarial values shall be computed during the year following the year in which the benefits were acquired, on the basis of the assumptions used in the actuarial valuation filed under section 174 and available before the end of the year of the computation. Each of the actuarial values shall bear interest from 1 January of the year in which the benefits were acquired.

“133.4. For the purposes of sections 133.2 and 133.3, the additional benefits shall be established taking account of the provisions of the Act in force on 1 January 2000.

“133.5. Subject to section 133.6, where the total of the actuarial values established under sections 133.2 and 133.3, with interest accrued until 1 January of the year in which the last benefits referred to in section 133.3 were acquired and have been computed, exceeds the amount of 680 million dollars established under section 133.1 with interest accrued until that date, an amount equal to the excess accumulated amount shall be transferred from the consolidated revenue fund to the unionizable employees' contribution fund, with interest from the same date until the date of transfer.

Subsequently and subject to section 133.6, an amount equal to the actuarial value established under section 133.3 with interest accrued shall be transferred every year from the consolidated revenue fund to the unionizable employees' contribution fund.

“133.6. For the purposes of this division, the actuarial values established under sections 133.2, 133.3 and 133.5 shall be adjusted, in the manner prescribed by regulation, in order to take into account the actuarial value of the additional benefits of each employee who, at the time the employee ceased to participate, was governed by Title IV.0.1 whereas the employee was not governed thereby at the time he or she acquired the benefits referred to in section 133.2 or 133.3, or who had ceased to be governed by that Title whereas the employee was governed thereby at the time he or she acquired them.

The regulation may prescribe the rules and the manner in which the actuarial values shall be computed and adjusted, determine the cases, conditions and procedure of the transfers of funds relating to those adjustments.

“133.7. For the purposes of this division, the interest rate corresponds to the annual rate of return realized on the basis of the market value of the unionizable employees' contribution fund at the Caisse de dépôt et placement du Québec.

However, if at the time of a transfer of funds the rate referred to in the first paragraph is not determined, the monthly rates realized on the basis of the market value of the contribution fund of those employees at the Caisse de dépôt et placement du Québec on the date of transfer apply. For the residual period, the rate applicable is the rate determined for the calendar year concerned in the most recent actuarial valuation filed under section 174.

“DIVISION IV**“TEMPORARY FINANCING FOR THE PURPOSES OF SECTIONS 33, 74.1 AND 74.2 WITH RESPECT TO EMPLOYEES OTHER THAN THOSE GOVERNED BY TITLE IV.0.1**

“133.8. A temporary dedicated fund is hereby established in the unionizable employees’ contribution fund at the Caisse de dépôt et placement du Québec, for the purpose of financing, with respect to employees not governed by Title IV.0.1, the additional benefits resulting from the application, from 1 January 2000, of the measures provided for in sections 33, 74.1 and 74.2.

The dedicated fund and the employees’ contribution fund must be the subject of separate accounting. The dedicated fund is subjected to paragraph 2.1 of section 165.

“133.9. An amount of 325 million dollars shall be transferred, not later than 31 December 2000, from the unionizable employees’ contribution fund to the dedicated fund with interest computed, from 1 January 2000 until the date of transfer of that amount, at the rate determined under section 133.7. The amount is intended for the financing of the additional benefits that result from the application, from 1 January 2000, of sections 33, 74.1 and 74.2 and that pertain to years and parts of a year of service prior to 1 January 2000.

“133.10. Every year, an amount equal to 0.224% of the pensionable salary of the employees not governed by Title IV.0.1 shall be transferred from the employers’ contributory fund at the Caisse de dépôt et placement du Québec to the dedicated fund. The amount is intended for the financing of the additional benefits that result from the application, from 1 January 2000, of sections 33, 74.1 and 74.2, and that pertain to years and parts of a year of service subsequent to 31 December 1999.

“133.11. The transfers made in accordance with section 133.10 shall end on the date on which the total of the accumulated transfers with interest from the date of the respective transfers equals the amount of 325 million dollars with interest accrued.

For the purposes of the first paragraph, the interest rate is determined under section 133.7.

“133.12. Before 31 December 2000, the following transfers shall be made :

(1) from the dedicated fund to the consolidated revenue fund, an amount of 10.6 million dollars on 1 January 2000, intended for the financing of the additional benefits that result from the application, from 1 January 2000, of sections 33, 74.1 and 74.2, and that pertain to the years and parts of a year of service relating to the Teachers Pension Plan and the Civil Service Superannuation Plan which have been transferred to this plan ;

(2) from the dedicated fund to the employers' contributory fund, an amount of 12.1 million dollars on 1 January 2000, intended for the financing of 2/12 of the additional benefits that result from the application, from 1 January 2000, of sections 33, 74.1 and 74.2, and that pertain to the years and parts of a year of service credited and prior to 1 July 1982.

The amounts established under subparagraphs 1 and 2 of the first paragraph shall bear interest from 1 January 2000 until the date of each transfer, at the rate determined under section 133.7.

“133.13. In the year following each three-year period, there shall be transferred from the dedicated fund to the unionizable employees' contribution fund and the employers' contributory fund, in equal shares, an amount corresponding to the actuarial value of the difference between the benefits that result from the application of sections 33, 74.1 and 74.2 and the benefits that would result from the application of section 33 as it read on 31 December 1999, with respect to each of the employees other than the employees governed by Title IV.0.1 who have retired during the period from 1 January of the first year of the three-year period to 31 December of the last year of that period. Shall be excluded from that difference, where applicable,

(1) the part of the difference that pertains to the years and parts of a year of service relating to the Teachers Pension Plan or the Civil Service Superannuation Plan which have been transferred to this plan;

(2) 2/12 of the part of the difference that pertains to the years and parts of a year of service credited and prior to 1 July 1982.

For the purposes of the first paragraph, the employees who would not have been eligible for an immediate pension under section 33 as it read on 31 December 1999 shall be considered as having been eligible for an immediate pension to which is applied the actuarial reduction provided for in section 38 as it read on that date, until the time when they would have been eligible for a pension without actuarial reduction.

The actuarial value of the benefits provided for in the first paragraph shall be established on the basis of the assumptions used in the most recent actuarial valuation of the plan that is available at the time of the transfer and prepared under section 174. The actuarial value shall bear interest, from the date of retirement of each of the employees referred to in the first paragraph until the date of the transfer, at the rate determined under section 133.7.

“133.14. On the date on which the transfers from the employers' contributory fund to the dedicated fund end pursuant to section 133.11, the balance of the dedicated fund shall be transferred, in equal shares, to the employers' contributory fund and to the unionizable employees' contribution fund. After that operation, the dedicated fund shall be dissolved.

“133.15. For the purpose of this division and unless otherwise provided, any reference to sections 33, 74.1 and 74.2 is a reference to those sections as they read on 1 January 2000.”

28. Section 134 of the said Act, amended by section 9 of chapter 73 of the statutes of 1999, is again amended

(1) by inserting the following subparagraphs after subparagraph 9:

“(9.1) establish, for the purposes of section 73.4, the limits applicable to a pension amount added under sections 73.1 and 73.2 and the manner in which an amount that exceeds the limits is to be adjusted;

“(9.2) establish, for the purposes of section 74.2, a pension reduction factor and the criteria for the application of that factor and designate categories and subcategories of employees to whom the factor and the criteria are not applicable;”;

(2) by replacing subparagraph 13.1 by the following subparagraph:

“(13.1) determine, for the purposes of sections 107.1 and 158.0.1, the increase of pension credits, fix the limits and the rules applicable to the increase, prescribe, for the purposes of those sections, special provisions that may vary from those provided for in sections 91, 92 and 107, in order to take into account, for those purposes, the nature of the pension credits and the pension plan under which they have been obtained;”;

(3) by inserting the following subparagraph after subparagraph 15:

“(15.1) determine, for the purposes of sections 133.6 and 215.0.0.15, the rules and the manner in which the actuarial values are to be computed and adjusted and determine the cases, conditions and procedure of the transfers of funds relating to those adjustments;”.

29. Section 158.0.1 of the said Act, enacted by section 12 of chapter 73 of the statutes of 1999, is replaced by the following:

“158.0.1. Where the agreement of transfer grants pension credits, section 107.1 applies, with the necessary modifications.”

30. Section 165 of the said Act is amended

(1) by inserting the following paragraph after paragraph 1:

“(1.1) determining the terms and conditions of implementation of the agreements entered into by the parties negotiating the conditions of employment of the employees referred to in paragraph 1 where the agreements do not provide therefor, to the extent that the costs of those terms and conditions are consistent with the budget of the Commission;”;

(2) by adding the following paragraph after paragraph 5 :

“(6) making recommendations to the parties negotiating the conditions of employment of the employees who are members of the pension plans mentioned in paragraph 1 respecting the application of those pension plans.”

31. Section 169 of the said Act is amended by adding the following sentence at the end: “However, the chairman is not entitled to vote where a recommendation referred to in paragraph 6 of section 165 or in paragraph 10 of section 173.2 entails an increase of the costs of the plan or an overrun of the budget of the Commission.”

32. Section 173.2 of the said Act is amended

(1) by inserting the following paragraph after paragraph 1 :

“(1.1) determining the terms and conditions of the implementation of the amendments agreed on by the associations representing those employees and the Government where the agreements do not provide therefor, to the extent that the costs of those terms and conditions are consistent with the budget of the Commission;”;

(2) by adding the following paragraph after paragraph 9 :

“(10) making recommendations to the associations representing those employees and to the Government respecting the application of the plan in respect of those employees.”

33. The said Act is amended by inserting the following section after section 173.3 :

“173.3.1. The quorum of the sittings of the committee includes the chairman, the majority of the members representing the non-unionizable employees and the majority of the other members.”

34. Section 173.4 of the said Act is amended by inserting “, 167, 169” after “166”.

35. Section 179 of the said Act is amended by adding the following paragraph after the second paragraph :

“However, where a beneficiary has not requested, within the time limit provided for in the second paragraph, the re-examination of the amount of the reduction of the beneficiary’s pension applicable from the month following the beneficiary’s sixty-fifth birthday, the beneficiary may do so within one year after the date on which the Commission has mailed the confirmation of the application of that reduction.”

36. Section 183 of the said Act is amended

(1) by replacing “a substitute to replace the arbitrators whenever they are absent or unable to act” in the fourth and fifth lines of the last paragraph by “substitutes to replace the arbitrators whenever they are absent, unable to act or having an excess of work”;

(2) by replacing “the substitute” in the first line of the second paragraph by “the substitutes”.

37. The said Act is amended by inserting the following after the heading of Title IV.0.1:

“CHAPTER I

“GENERAL PROVISIONS”.

38. The said Act is amended by inserting the following section after section 215.0.0.1:

“215.0.0.1.1. An employee who, on 31 December 1999, participates in the Teachers Pension Plan or the Civil Service Superannuation Plan in an employment that would be non-unionizable within the meaning of this Title, if the employee participated in this plan, may elect, if the employee has the corresponding classification, to participate in this plan by transmitting a notice to that effect to the Commission before 1 January 2001. The plan, including the special provisions applicable by virtue of this Title, applies to the employee from 1 January 2000.

However, the employee must, to maintain membership in the plan and be governed by the special provisions, have held non-unionizable employment, with the corresponding classification, for a period of 24 consecutive months beginning not sooner than 1 January 1998.”

39. The said Act is amended by inserting the following after section 215.0.0.5:

“CHAPTER II

“SPECIAL PROVISIONS

“215.0.0.6. In addition to what is provided for in section 33, a pension is granted to the employee whose age and the years of service total 88 or more, if the employee has 55 years of age or more.

“215.0.0.7. For the purpose of computing the average pensionable salary provided for in section 36, the aggregate of the contributory periods corresponding to each year for which the salaries are retained pursuant to subparagraph 2 of the first paragraph of that section, must be equal to 3, or where the total is less than 3, selecting all the salaries.

However, for the purposes of section 106, for the employees who, on 31 December 1999, participated in the plan after a vote taken under section 6 or 7, the basis for computing the pension credit is the basis that was in force on that date.

“215.0.0.8. Where an employee is entitled to a pension under subparagraph 3 of the first paragraph of section 33, the reduction factor of the employee’s pension provided for in the first paragraph of section 38 is 1/4 of 1% per month.

“215.0.0.9. The contribution rate provided for in section 29 that is applicable to the employee who elected to participate in the plan under section 215.0.0.1.1, is established by adding 4% to the contribution rate applicable to the employee referred to in section 215.0.0.1, up to a maximum of 7.25% for the employees who participated in the Civil Service Superannuation Plan, and 8.08% for the employees who participated in the Teachers Pension Plan.

Where the contribution rate applicable to the employee referred to in section 215.0.0.1 is equal to or greater than the maximums established in the first paragraph, the contribution rate applicable to the employee who has made an election becomes, from that time, the contribution rate applicable to the employee referred to in section 215.0.0.1.

“CHAPTER III

“FINANCING

“DIVISION I

“FINANCING FOR THE PURPOSES OF DIVISION IV.1 OF CHAPTER IV OF TITLE I WITH RESPECT TO EMPLOYEES GOVERNED BY THIS TITLE

“215.0.0.10. The actuarial value of the additional benefits resulting from the application of Division IV.1 of Chapter IV of Title I, with respect to the employees who, at the time they cease to participate in the plan, are governed by this Title, shall be financed by the non-unionizable employees’ contribution fund at the Caisse de dépôt et placement du Québec up to an amount of 172 million dollars on 1 January 2000.

The actuarial value of the additional benefits that exceeds the amount provided for in the first paragraph shall be financed by the consolidated revenue fund.

“215.0.0.11. The actuarial value of the additional benefits referred to in section 215.0.0.10 and pertaining to years and parts of a year referred to in paragraphs 1 to 3 of section 73.1 and in respect of which benefits were acquired on 31 December 1999 shall be established within six months of the filing of the actuarial valuation provided for in section 174 on the basis of the

data finalized on 31 December 1999. The actuarial value shall be established on the basis of the assumptions used in that valuation and shall bear interest from 1 January 2000.

“215.0.0.12. The actuarial value of the additional benefits referred to in section 215.0.0.10 and pertaining to years and parts of a year referred to in paragraphs 1 to 3 of section 73.1 and in respect of which benefits were acquired after 31 December 1999 shall be established on 1 January of each year in which those benefits were acquired. Each of the actuarial values shall be computed during the year following the year in which those benefits were acquired, on the basis of the assumptions used in the actuarial valuation filed under section 174 and available before the end of the year of the computation. Each of the actuarial values shall bear interest from 1 January of the year in which those benefits were acquired.

“215.0.0.13. For the purposes of sections 215.0.0.11 and 215.0.0.12, the additional benefits shall be established taking account of the provisions of the Act in force on 1 January 2000.

“215.0.0.14. Subject to section 215.0.0.15, where the total of the actuarial values established under sections 215.0.0.11 and 215.0.0.12, with interest accrued until 1 January of the year in which the last benefits referred to in section 215.0.0.12 were acquired and have been computed, exceeds the amount of 172 million dollars established under section 215.0.0.10 with interest accrued until that date, an amount equal to the excess accumulated amount shall be transferred from the consolidated revenue fund to the non-unionizable employee’s contribution fund, with interest from the same date until the date of transfer.

Subsequently and subject to section 215.0.0.15, an amount equal to the actuarial value established under section 215.0.0.12 with interest accrued shall be transferred every year from the consolidated revenue fund to the non-unionizable employees’ contribution fund.

“215.0.0.15. For the purposes of this division, the actuarial values established under sections 215.0.0.11, 215.0.0.12 and 215.0.0.14 shall be adjusted, in the manner prescribed by regulation, in order to take into account the actuarial value of the additional benefits of each employee who, at the time the employee ceased to contribute, was governed by this Title whereas the employee was not governed thereby at the time he or she acquired the benefits referred to in sections 215.0.0.11 and 215.0.0.12, or who had ceased to be governed by this Title whereas the employee was governed thereby at the time he or she acquired them.

The regulation may prescribe the rules and the manner in which the actuarial values shall be computed and adjusted, determine the cases, conditions and procedure of the transfers of funds relating to those adjustments.

“215.0.0.16. For the purposes of this division, the interest rate corresponds to the annual rate of return realized on the basis of the market value of the non-unionizable employees’ contribution fund at the Caisse de dépôt et placement du Québec.

However, if at the time of a transfer of funds the rate referred to in the first paragraph is not determined, the monthly rates realized on the basis of the market value of the contribution fund of those employees at the Caisse de dépôt et placement du Québec on the date of transfer apply. For the residual period, the rate applicable is the rate determined for the calendar year concerned in the most recent actuarial valuation filed under section 174.

“DIVISION II

“TEMPORARY FINANCING FOR THE PURPOSES OF SECTIONS 33, 74.1, 74.2, 77, 215.0.0.1.1 AND 215.0.0.6 TO 215.0.0.8 WITH RESPECT TO EMPLOYEES GOVERNED BY THIS TITLE

“215.0.0.17. A temporary dedicated fund is hereby established in the non-unionizable employees’ contribution fund at the Caisse de dépôt et placement du Québec, for the purpose of financing, with respect to employees governed by this Title, the additional benefits resulting from the application, from 1 January 2000, of the measures provided for in sections 33, 74.1, 74.2, 77 and 215.0.0.6 to 215.0.0.8, and with respect to the years and parts of a year transferred from the Teachers Pension Plan and the Civil Service Superannuation Plan to this plan from 1 January 2000.

The dedicated fund and the employees’ contribution fund must be the subject of separate accounting. The dedicated fund is subject to paragraph 3 of section 173.2.

“215.0.0.18. Not later than 31 December 2000, the following transfers shall be made :

(1) from the non-unionizable employees’ contribution fund to the dedicated fund, an amount of 433 million dollars with the interest computed from 1 January 2000 until the date of transfer of that amount, at the rate determined under section 215.0.0.16;

(2) from the consolidated revenue fund to the dedicated fund, an amount of 44 million dollars with the interest computed from 1 January 2000 until the date of transfer of that amount, at the rate determined under section 215.0.0.16.

The amounts are intended for the financing of the additional benefits that result from the application, from 1 January 2000, of the measures referred to in section 215.0.0.17 and that pertain to years and parts of a year of service prior to 1 January 2000.

“215.0.0.19. Each year, an amount equal to 2.72% of the pensionable salary of the employees governed by this Title shall be transferred from the

employers' contributory fund at the Caisse de dépôt et placement du Québec to the dedicated fund. The amount is intended for the financing of the additional benefits that result from the application, from 1 January 2000, of the measures referred to in section 215.0.0.17, and that pertain to years and parts of a year of service subsequent to 31 December 1999.

“215.0.0.20. The transfers made in accordance with section 215.0.0.19 shall terminate on the date on which the aggregate of the amount of 44 million dollars, accumulated with interest from 1 January 2000, and the amount of all transfers made in accordance with that section, accumulated with interest from the date of the respective transfers, equals the amount of 433 million dollars with accrued interest.

For the purposes of the first paragraph, the rate of interest is determined in accordance with section 215.0.0.16.

“215.0.0.21. Before 31 December 2000, the following transfers shall be made :

(1) from the dedicated fund to the consolidated revenue fund, an amount of 16.2 million dollars on 1 January 2000, intended for the financing of the additional benefits that result from the application, from 1 January 2000, of the measures referred to in section 215.0.0.17 and that pertain to the years and parts of a year of service relating to the Teachers Pension Plan and the Civil Service Superannuation Plan which have been transferred to this plan before 1 January 2000 ;

(2) from the dedicated fund to the employers' contributory fund, an amount of 19.9 million dollars on 1 January 2000, intended for the financing of 2/12 of the additional benefits that result from the application, from 1 January 2000, of the measures referred to in section 215.0.0.17 and that pertain to years and parts of a year of service credited and prior to 1 July 1982.

The amounts established in subparagraphs 1 and 2 of the first paragraph shall bear interest, from 1 January 2000 until the date of each transfer, at the rate determined in accordance with section 215.0.0.16.

“215.0.0.22. Not later than 31 December 2001, there shall be transferred from the dedicated fund to the consolidated revenue fund an amount determined by regulation, intended for the financing of the additional benefits that result from the application, from 1 January 2000, of the measures provided for in sections 33, 74.1, 74.2, 77 and 215.0.0.6 to 215.0.0.8 and that pertain to the years and parts of a year of service transferred from the Teachers Pension Plan and the Civil Service Superannuation Plan to this plan pursuant to section 215.0.0.1.1.

The amount shall correspond to the actuarial value of the difference between the additional benefits that result from the application of the measures referred to in the first paragraph and the benefits that would result from the application

of the provisions of the Teachers Pension Plan or the Civil Service Superannuation Plan, as the case may be, as they read on 31 December 1999.

The amount shall be computed on the basis of the assumptions used in the most recent actuarial valuation of the plan that is available at the time of the transfer and prepared under section 174 and shall bear interest from 1 January 2000 until the date of transfer, at the rate determined in accordance with section 215.0.0.16.

“215.0.0.23. In the year following each three-year period, there shall be transferred from the dedicated fund to the non-unionizable employees’ contribution fund and the employers’ contributory fund, in equal shares, an amount corresponding to the actuarial value of the difference between the benefits that result from the application of section 215.0.0.17 and the benefits that would result from the application of sections 33 and 77 as they read on 31 December 1999, with respect to each of the employees governed by this Title who have retired during the period from 1 January of the first year of the three-year period to 31 December of the last year of that period. Shall be excluded from that difference, where applicable,

(1) the part of the difference that pertains to the years and parts of a year of service relating to the Teachers Pension Plan or the Civil Service Superannuation Plan which have been transferred to this plan;

(2) 2/12 of the part of the difference that pertains to the years and parts of a year of service credited prior to 1 July 1982.

For the purposes of the first paragraph, the employees who would not have been eligible for an immediate pension under section 33 as it read on 31 December 1999 shall be considered as having been eligible for an immediate pension to which is applied the actuarial reduction provided for in section 38 as it read on that date, until the time when they would have been eligible for a pension without actuarial reduction.

The actuarial value of the benefits provided for in the first paragraph shall be established on the basis of the assumptions used in the most recent actuarial valuation of the plan that is available at the time of the transfer and prepared under section 174. The actuarial value shall bear interest, from the date of retirement of each of the employees referred to in the first paragraph until the date of the transfer, at the rate determined under section 215.0.0.16.

“215.0.0.24. On the date on which the transfers from the employers’ contributory fund to the dedicated fund is terminated pursuant to section 215.0.0.20, the balance of the dedicated fund shall be transferred, in equal shares, to the employers’ contributory fund and to the non-unionizable employees’ contribution fund. After that operation, the dedicated fund shall be dissolved.

“215.0.0.25. For the purposes of this division and unless otherwise provided, any reference to sections 33, 74.1, 74.2, 77, 215.0.0.1.1 and 215.0.0.6 to 215.0.0.8 is a reference to those sections as they read on 1 January 2000.”

40. Section 215.5.0.2 of the said Act is amended by inserting the following paragraph after the first paragraph :

“For the purposes of this section, references to sections 33 and 38 are references to those sections as they read on 31 December 1999.”

41. Section 215.5.1 of the said Act is amended by inserting the following paragraph after the second paragraph :

“For the purposes of this section, references to sections 33 and 38 are references to those sections as they read on 31 December 1999.”

42. The said Act is amended by inserting the following after the heading of Title IV.2 :

“CHAPTER I

“OFFSET OF THE ACTUARIAL REDUCTION

“215.12.0.1. This chapter applies to the person who

(1) ceased to participate in the Pension Plan of Certain Teachers, the Pension Plan of Peace Officers in Correctional Services, the Government and Public Employees Retirement Plan, the Teachers Pension Plan, the Civil Service Superannuation Plan, the Pension Plan of the employees of the Centre hospitalier Côte-des-Neiges or in the Pension Plan of the federal employees integrated into the public service of the Government of Québec ;

(2) is entitled to a reduced pension under one of those plans ;

(3) retires on the day following the day on which the person ceases to participate in a pension plan.

“215.12.0.2. The amount of the pension and, where applicable, the amount of the pension credit of the person referred to in section 215.12.0.1 shall be increased, in accordance with the actuarial assumptions and methods determined by regulation, by an amount corresponding to the actuarial reduction applicable under the person’s plan, if the person pays to the Commission the amount established at the date on which the person retires. The reduction may be offset in whole or in part.

The amount established in the first paragraph must be paid within 60 days after the day on which the person ceases participating in a pension plan.

The first paragraph applies within the limits authorized under the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) and

the amount paid by the person pursuant to the first paragraph must come from a registered retirement savings plan or a registered pension plan within the meaning of the Income Tax Act or from the part of the person's retirement allowance that is transferable to one of those plans in accordance with that Act.

“215.12.0.3. The employer of the person referred to in section 215.12.0.1 may, if the employer applies therefor to the Commission, pay in whole or in part, on or before the date on which the person ceases to be a person to whom a pension plan is applicable, the amount established in accordance with the first paragraph of section 215.12.0.2.

Where the employer pays only part of the amount referred to in the first paragraph, the person may pay the balance, in whole or in part, within the time limit provided for in the second paragraph of section 215.12.0.2 and the third paragraph of that section applies.

“215.12.0.4. For the purposes of the payment of benefits, the indexing of the pension or the adjustment of the pension credit, the amount corresponding to the actuarial reduction that has been offset under section 215.12.0.2 or 215.12.0.3 shall be added to the pension or, where applicable, to the pension credit and it shall be apportioned among each part of pension or pension credit or, where applicable, in proportion to the amount paid on the amount established pursuant to those sections.

“215.12.0.5. The amounts paid to the Commission pursuant to section 215.12.0.2 or 215.12.0.3 shall be paid into different funds at the Caisse de dépôt et placement du Québec or into the consolidated revenue fund, according to the pension plan concerned.

“215.12.0.6. Where a pensioner under the Pension Plan of Certain Teachers, the Pension Plan of Peace Officers in Correctional Services, the Government and Public Employees Retirement Plan, the Teachers Pension Plan or the Civil Service Superannuation Plan holds or again holds pensionable employment under the Pension Plan of Peace Officers in Correctional Services or under the Government and Public Employees Retirement Plan, the amount added to the pensioner's benefit ceases to be paid in the same proportion and manner as the benefit has ceased to be paid to the pensioner. Where applicable, that amount shall continue to be indexed or shall be increased as if the benefit were being paid for the period during which it is not paid and it shall again be added to the indexed, increased and recomputed benefit in accordance with the pensioner's pension plan when the payment of the benefit resumes.

“215.12.0.7. Any review made by the Commission to increase or reduce a pension being paid does not entail the review of the amount added pursuant to section 215.12.0.2 or 215.12.0.3.

“215.12.0.8. This chapter does not apply if the person dies before the person's benefit becomes payable.

“CHAPTER II**“SPECIAL MEASURES APPLICABLE TO A CATEGORY OR SUBCATEGORY OF PERSONS DETERMINED BY REGULATION”.**

43. Section 215.12 of the said Act is amended by replacing “Title” in the third line of the first paragraph by “chapter”.

44. Section 215.13 of the said Act is amended

(1) by striking out “and measures designed to compensate, in whole or in part, the actuarial reduction of pension benefits” in the second, third and fourth lines of subparagraph 3 of the first paragraph;

(2) by inserting the following subparagraph after subparagraph 5 of the first paragraph:

“(6) in respect of a person whose employer under the plan has not deducted from the pensionable salary an annual amount provided for in the pension plan whereas the person was an employee to whom the pension plan applied, the terms and conditions of payment of the necessary sums by the person, the person’s spouse or successors and, as the case may be, the applicable rate of interest. The Government may also determine, notwithstanding sections 187 to 191.1, the terms and conditions of payment of the contributory amounts by the employers, and the employers exempted from such payment.”

45. Section 215.14 of the said Act is amended by replacing “Title” in the second line by “chapter”.

46. Section 215.15 of the said Act is amended by replacing “Title” in the first line by “chapter”.

47. The said Act is amended by inserting the following headings after section 215.15:

“CHAPTER III**“MISCELLANEOUS PROVISIONS”.**

48. Schedule I to the said Act, amended by Orders in Council 467-99 dated 28 April 1999, 633-99 dated 9 June 1999, 819-99 dated 7 July 1999, 902-99 dated 11 August 1999, 1398-99 and 1399-99 dated 15 December 1999, 166-2000 dated 1 March 2000 and 561-2000 dated 9 May 2000 and by section 54 of chapter 11 of the statutes of 1999, section 54 of chapter 34 of the statutes of 1999 and section 14 of chapter 73 of the statutes of 1999, is again amended

(1) by replacing “the Centre d’Insémination artificielle du Québec (C.I.A.Q.) inc.” in paragraph 1 by “the Centre d’insémination artificielle (C.I.A.Q.) société en commandite, with respect to employees who held employment with

the Centre d'Insémination artificielle du Québec (C.I.A.Q.) inc. and participated in this plan on 31 December 1998”;

(2) by inserting the following, in alphabetical order, in paragraph 1: “COREM, in respect of the permanent employees who were transferred by the Government of Québec within the framework of the transfer of the activities of the Centre de recherche minérale of the Ministère des Ressources naturelles to COREM and who participated in the plan on 26 September 1999”;

(3) by striking out “the Fédération du personnel de soutien scolaire” in paragraph 1.

49. Schedule II.1 to the said Act, amended by Orders in Council 467-99 dated 28 April 1999, 633-99 dated 9 June 1999, 819-99 dated 7 July 1999, 947-99 dated 25 August 1999, 1251-99 dated 17 November 1999 and 166-2000 dated 1 March 2000, is again amended by inserting, in alphabetical order, “the Fédération du personnel de soutien scolaire (FPSS - CEQ)”.

ACT RESPECTING THE TEACHERS PENSION PLAN

50. Section 2.2 of the Act respecting the Teachers Pension Plan (R.S.Q., chapter R-11) is amended by replacing “mental or physical disability” in the fifth and sixth lines of the second paragraph by “permanent and total disability under subparagraph 6 of the first paragraph of section 32 or to a benefit for mental or physical disability paid under a plan established by section 75.1”.

51. Section 18 of the said Act is amended

(1) by replacing “two” in the last line of the first paragraph by “three”;

(2) by replacing “two” in the first line of the second paragraph by “three”.

52. The said Act is amended by inserting the following section after section 18:

“18.1. A person referred to in the first paragraph of section 18 who, under the salary insurance plan provided for in the person’s conditions of employment, is entitled only to salary insurance benefits for a maximum period of two years of service, shall continue to participate in the plan, even if the person’s employer has terminated the person’s employment, during the year following the last day of that two-year period, if on that day the person is disabled within the meaning of the person’s salary insurance plan and if during that year the person does not hold pensionable employment under the plan.

During that year, the service credited to that person, without contributions, is the service that would have been credited if the person had held employment and the person’s pensionable salary is the salary the person would have received.

However, the service credited to a person who dies, resigns or retires during the year following the two-year period provided for in the first paragraph shall be reduced by the period between the date of the event and the end of that year. The service credited under this section to a person who again holds pensionable employment during that period shall be reduced by the period between the person's first day of service in pensionable employment and the end of that year."

53. The said Act is amended by inserting the following division after section 28.5.5 :

“DIVISION II.2

“REDEMPTION OF A PAID TRAINING PERIOD

“28.5.6. A teacher is entitled to pension credit, computed in relation to the years or parts of a year of past service as a paid trainee, by counting such years or parts of a year under the plan.

The categories or subcategories of employees and the rules, terms and conditions applicable to have years or parts of a year of past service as a paid trainee counted, the years or parts of a year of service which may be counted and their number, which may vary according to the category and subcategory of employees, shall be determined by regulation made under subparagraph 11.3 of the first paragraph of section 134 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10).

“28.5.7. The years and parts of a year of service for which pension credit is granted under this division shall be added, solely for the purposes of eligibility for a pension, to the years of service credited to a teacher under section 16.

“28.5.8. Sections 88, 90 to 93, the second paragraph of section 95 and sections 96 and 97 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) shall apply to the pension credit obtained under section 28.5.6, with the necessary modifications.

“28.5.9. The amount that a teacher must pay to be entitled to pension credit shall be determined according to the tariff of premiums appearing in Schedule IV to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10).

The amounts paid by a teacher to acquire pension credit shall be paid into the consolidated revenue fund.

“28.5.10. The years and parts of a year of service for which pension credit is granted shall be added to the years of service credited to the teacher to determine, in case of death, the right of the spouse to a pension even if the teacher died before completing all the payments computed in accordance with

section 96 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10).

“28.5.11. Sections 73.1 to 73.7 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) shall apply, with the necessary modifications, to a teacher who has acquired pension credit under this division. Any reference to a provision of that Act is a reference to the corresponding provision of this Act.”

54. The said Act is amended by inserting the following section after section 29.1 :

“29.1.1. The rate of contribution that must be levied on the pensionable salary of the teacher, who, if the teacher participated in the Government and Public Employees Retirement Plan, would be a non-unionizable employee within the meaning of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10), shall be reduced by a factor of 0.83% applied to each of the rates established in subparagraphs 1 to 3 of the first paragraph of section 29 of this Act.

However, the reduction shall not be considered for the purposes of sections 31 and 31.1, nor for the purposes of Chapter V.1 of this Act or for the purposes of the computation of the benefits payable under this plan.”

55. Section 32 of the said Act is amended by replacing subparagraph 6 of the first paragraph by the following subparagraph :

“(6) is totally and permanently disabled within the meaning of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement);”.

56. Section 38 of the said Act is amended by replacing “physical or mental disability under this plan,” in the first and second lines of the third paragraph by “total and permanent disability under subparagraph 6 of the first paragraph of section 32”.

57. Section 41.1 of the said Act is amended by replacing “physical or mental disability” in the first and second lines by “total and permanent disability under subparagraph 6 of the first paragraph of section 32”.

58. Section 46 of the said Act, amended by section 24 of chapter 14 of the statutes of 1999, is again amended by adding the following at the end: “or who, during the year prior to the teacher’s or pensioner’s death, was living in a conjugal relationship with the teacher or pensioner while one of the following situations occurred :

- (1) a child was or is to be born of their union ;
- (2) they adopted a child together ; or

(3) one of them adopted a child of the other.”

59. Section 51 of the said Act is amended by replacing “physically or mentally disabled” in subparagraph 3 of the first paragraph by “totally and permanently disabled within the meaning of subparagraph 6 of the first paragraph of section 32”.

60. Section 63 of the said Act is amended

(1) by replacing subparagraph 2 of the first paragraph by the following subparagraph :

“(2) for that part attributable to service subsequent to 30 June 1982 but prior to 1 January 2000, by the amount by which the rate of increase in the Pension Index exceeds 3% ;” ;

(2) by inserting the following subparagraph after subparagraph 2 of the first paragraph :

“(3) for that part attributable to service subsequent to 31 December 1999, by the formula provided for in subparagraph 2 of this paragraph or by one-half of the rate of increase in the Pension Index, according to the formula which is the most advantageous.” ;

(3) by inserting the following paragraph after the first paragraph :

“Where the number of years of service credited exceeds 35 years, subparagraphs 1 to 3 of the first paragraph are applied in the order which is the most advantageous for the pensioner.”

61. Section 65 of the said Act is amended by inserting “, before 1 January 2000,” after “granted” in the first line of the first paragraph.

62. Section 66 of the said Act is amended by replacing “physical or mental disability” in the second line of the second paragraph by “total and permanent disability within the meaning of subparagraph 6 of the first paragraph of section 32”.

63. Section 73 of the said Act is amended by striking out paragraph 5.

64. The said Act is amended by inserting the following section after section 75 :

“75.1. The Government may, with respect to participants, establish a plan which provides for supplementary benefits as

(1) minimum benefits granted to the beneficiary of a pension ;

(2) benefits for physical or mental disability, within the meaning of the supplementary benefits plan, payable to the teacher who is not totally and permanently disabled within the meaning of subparagraph 6 of the first paragraph of section 32.

Benefits accumulated during the marriage under the supplementary benefits plan form part of the family patrimony established under the Civil Code of Québec. In that respect, the Government may render the rules contained in or enacted pursuant to Chapter V.1 applicable to the plan. It may also enact special rules concerning the determination and evaluation of the supplementary benefits so granted.

The amounts paid under the supplementary benefits plan are inalienable and unseizable. However, they are unseizable only up to 50% in the case of partition of the family patrimony between spouses, the payment of support or the payment of a compensatory allowance.

An order under the first or second paragraph may have effect up to 12 months before the date on which it is made.”

ACT RESPECTING THE CIVIL SERVICE SUPERANNUATION PLAN

65. Section 55.1 of the Act respecting the Civil Service Superannuation Plan (R.S.Q., chapter R-12) is amended by replacing “mental or physical disability” in the fifth and sixth lines of the second paragraph by “total and permanent disability under subparagraph 3 of the first paragraph of section 56”.

66. Section 56 of the said Act is amended by replacing subparagraph 3 of the first paragraph by the following subparagraph:

“(3) is totally and permanently disabled within the meaning of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement);”.

67. Section 60 of the said Act is amended

(1) by replacing “two” in the last line of the first paragraph by “three”;

(2) by replacing “two” in the first line of the second paragraph by “three”.

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

“60.0.1. A person referred to in the first paragraph of section 60 who, under the salary insurance plan provided for in the person’s conditions of employment, is entitled only to salary insurance benefits for a maximum period of two years of service, shall continue to participate in the plan, even if the person’s employer has terminated the person’s employment, during the year following the last day of that two-year period if on that day the person is disabled within the meaning of the person’s salary insurance plan.

During that year, the service credited to that person, without contributions, is the service that would have been credited if the person had held employment and the person's pensionable salary is the salary the person would have received.

However, the service credited to a person who dies, resigns or retires during the year following the two-year period provided for in the first paragraph shall be reduced by the period between the date of the event and the end of that year. The service credited under this section to a person who again holds pensionable employment shall be reduced by the period between the person's first day of service in pensionable employment and the end of that year."

69. Section 63.3 of the said Act is amended by replacing "physical or mental disability under the plan provided for in this division" in the first and second lines of the third paragraph by "total and permanent disability under subparagraph 3 of the first paragraph of section 56".

70. Section 64 of the said Act is amended

(1) by replacing subparagraph 2 of the first paragraph by the following subparagraph:

"(2) for that part attributable to service subsequent to 30 June 1982 but prior to 1 January 2000, by the amount by which the rate of increase in the Pension Index exceeds 3%";

(2) by inserting the following subparagraph after subparagraph 2 of the first paragraph:

"(3) for that part attributable to service subsequent to 31 December 1999, by the formula provided for in subparagraph 2 of this paragraph or by one-half of the rate of increase in the Pension Index, according to the formula which is the most advantageous.";

(3) by inserting the following paragraph after the first paragraph:

"Where the number of years of service credited exceeds 35 years, subparagraphs 1 to 3 of the first paragraph are applied in the order which is the most advantageous for the pensioner."

71. Section 65 of the said Act is amended by inserting ", before 1 January 2000," after "granted" in the first line of the first paragraph.

72. Section 68.1 of the said Act is amended by replacing "physical or mental disability" in the first and second lines by "total and permanent disability under subparagraph 3 of the first paragraph of section 56".

73. The said Act is amended by inserting the following section after section 69.0.1:

“69.0.2. The rate of contribution that must be levied on the pensionable salary of the officer, who, if the officer participated in the Government and Public Employees Retirement Plan, would be a non-unionizable employee within the meaning of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10), shall be reduced by a factor of 0.83% applied to each of the rates established under subparagraphs 1 to 3 of the first paragraph of section 69 of this Act.

However, the reduction shall not be considered for the purposes of sections 72 to 72.2, nor for the purposes of Division III.1 of this Act or for the purposes of the computation of the benefits payable under this plan.”

74. Section 74 of the said Act is amended by replacing “physical or mental disability” in the second line of the second paragraph by “total and permanent disability under subparagraph 3 of the first paragraph of section 56”.

75. Section 77 of the said Act, amended by section 25 of chapter 14 of the statutes of 1999, is again amended by adding the following at the end: “or who, during the year prior to the officer’s or pensioner’s death, was living in a conjugal relationship with the officer or pensioner while one of the following situations occurred :

- (1) a child was or is to be born of their union ;
- (2) they adopted a child together ; or
- (3) one of them adopted a child of the other.”

76. Section 84 of the said Act is amended by replacing “physically or mentally disabled” in subparagraph 3 of the first paragraph by “totally or permanently disabled within the meaning of subparagraph 3 of the first paragraph of section 56”.

77. The said Act is amended by inserting the following subdivision after section 99.17:

“§3.1. — *Redemption of a paid training period*

“99.17.1. An officer is entitled to pension credit computed in relation to the years or parts of a year of past service as a paid trainee, by counting such years or parts of a year under the plan.

The categories or subcategories of employees and the rules, terms and conditions applicable to have years or parts of a year of past service as a paid trainee counted, the years or parts of a year of service that may be counted and their number, which may vary according to the category and subcategory of employees, shall be determined by regulation made under subparagraph 11.3 of the first paragraph of section 134 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10).

“99.17.2. The years and parts of a year of service for which pension credit is granted under this subdivision shall be added solely for the purpose of eligibility for a pension, to the years of service credited to an officer under section 58.

“99.17.3. Sections 88, 90 to 93, the second paragraph of section 95 and sections 96 and 97 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) shall apply to the pension credit obtained under section 99.17.1, with the necessary modifications.

“99.17.4. The amount that an officer must pay to be entitled to a pension credit shall be determined according to the tariff of premiums appearing in Schedule IV to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10).

The amounts paid by an officer to acquire pension credit shall be paid into the consolidated revenue fund.

“99.17.5. The years and parts of a year of service for which pension credit is granted shall be added to the years of service credited to the officer to determine, in case of death, the right of the spouse to a pension even if the officer died before completing all the payments computed in accordance with section 96 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10).

“99.17.6. Sections 73.1 to 73.7 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) shall apply, with the necessary modifications, to an officer who has acquired pension credit under this subdivision. Any reference to another provision of that Act is a reference to the corresponding provision of this Act.”

78. Section 109 of the said Act is amended by striking out paragraph 1.

79. The said Act is amended by inserting the following section after section 111.1:

“111.2. The Government may, with respect to participants, establish a plan which provides for supplementary benefits as

(1) minimum benefits granted to the beneficiary of a pension;

(2) benefits for physical or mental disability, within the meaning of the supplementary benefits plan, payable to the officer who is not totally and permanently disabled within the meaning of subparagraph 3 of the first paragraph of section 56.

Benefits accumulated during the marriage under the supplementary benefits plan form part of the family patrimony established under the Civil Code of Québec. In that respect, the Government may render the rules contained in

Division III.1 or enacted under the provisions of that chapter applicable to the plan. It may also enact special rules concerning the determination and evaluation of the supplementary benefits so granted.

The amounts paid under the supplementary benefits plan are inalienable and unseizable. However, they are unseizable only up to 50% in the case of partition of the family patrimony between spouses, the payment of support or the payment of a compensatory allowance.

An order under the first or second paragraph may have effect up to 12 months before the date on which it is made.”

TRANSITIONAL AND FINAL PROVISIONS

80. The rate of contribution provided for in section 29 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) with respect to employees other than those governed by Title IV.0.1 of this Act is equal to 5.35%, from 1 January 2000 until 31 December 2001. From 1 January 2002, the rate is equal to 6.20% subject to the first paragraph of section 177 of that Act.

81. The rate of contribution provided for in section 29 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) with respect to employees referred to in Title IV.0.1 of the said Act is equal to 1%, from 1 January 2000 until 31 December 2001. From 1 January 2002, the rate is equal to 4.50%, subject to the first paragraph of section 177 of that Act.

82. Representatives of the employees on the pension committee referred to in section 164 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) shall, each year, have at their disposal, for the benefit of the employees and the beneficiaries, a maximum amount of \$150,000 taken out of the employees' contribution fund to assume the cost of professional services relating to their pension plan.

The same applies to representatives of employees on the pension committee referred to in section 173.1 of that Act. However, the maximum annual amount shall be \$250,000 and shall be taken out of the non-unionizable employees' contribution fund.

83. The mention of the Centrale de coordination santé de la région de Québec (03) Inc. in Schedule I to the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) with respect to employees that have been transferred in 1996 from the Coopérative des techniciens ambulanciers du Québec métropolitain to the Centrale de coordination santé de la région de Québec (03) Inc. has effect from 1 January 1997.

84. Notwithstanding the third paragraph of section 35.9 of the Act respecting the Pension Plan of Certain Teachers (R.S.Q., chapter R-9.1), the first and second paragraphs of the said section apply to the person who was participating in the Pension Plan of Certain Teachers on 31 December 1999 and who retired after that date but before 1 January 2001 if the person's application for the redemption of past service is received by the Commission before the latter date.

85. Sections 7, 8, 51, 52, 67 and 68 of this Act apply to any person who benefits from a period of exemption from contributions on 31 December 1999 taking into account the exemption period that has elapsed on that date.

86. Sections 11, 12 and 15 of this Act and sections 215.0.0.6 to 215.0.0.8 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) apply to an employee who ceases to participate in the Government and Public Employees Retirement Plan on or after 31 December 1999.

87. Notwithstanding any inconsistent provision of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10), the persons who were participating in the Government and Public Employees Retirement Plan on 31 December 1999 and who retired after that date but before 1 January 2001 may avail themselves of the provisions of this Act relating to the redemption of past service if their application is received by the Commission before the latter date and, in that case, Division IV.1 of Chapter IV of this Act applies.

88. For the purposes of section 42 of this Act, the actuarial assumptions and methods provided for in Schedule III to the Regulation respecting the application of Title IV.2 of the Act respecting the Government and Public Employees Retirement Plan, enacted by Order in Council 690-96 (1996, G.O. 2, 2759) are applicable until a regulation is made under that section.

89. For the first application of sections 133.13 and 215.0.0.22 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10), the first three-year period applies to employees who were participating in the Government and Public Employees Retirement Plan on 31 December 1999 and who retired between 1 January 2000 and 31 December 2002.

90. An application for redemption of past service filed by an employee referred to in section 215.0.0.1.1 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) before the employee elects to participate in the Government and Public Employees Retirement Plan pursuant to that section shall be continued according to the terms and conditions provided for in the pension plan of which the employee was a member. Any service so redeemed shall be counted or, as the case may be, credited under the Government and Public Employees Retirement Plan according to the provisions of the plan. The sums paid shall be deposited into the consolidated revenue fund.

91. An employee who does not meet the conditions set out in the second paragraph of section 215.0.0.1.1 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) shall resume participation in the Teachers Pension Plan or the Civil Service Superannuation Plan, as the case may be, from the day following the day on which the employee ceases to hold non-unionizable employment within the meaning of that Act.

In such a case, the years and parts of a year credited or counted under the Government and Public Employees Retirement Plan shall, for pension purposes, be credited or counted under the Teachers Pension Plan or the Civil Service Superannuation Plan, as the case may be. In addition, unless refunded to the employee, the contributions paid into the non-unionizable employees' contribution fund at the Caisse de dépôt et placement du Québec in respect of that employee shall be transferred to the consolidated revenue fund with accrued interest until the date of transfer.

92. The person who, on 31 December 1999, participates in the Teachers Pension Plan or the Civil Service Superannuation Plan in employment that, if the person participated in the Government and Public Employees Retirement Plan, would be non-unionizable within the meaning of Title IV.0.1 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10), who retires under the person's plan after the said date but before 1 January 2001, may, if the person held such employment, with the corresponding classification, during a period of 24 consecutive months ending on the date of the person's retirement, elect to participate in the Government and Public Employees Retirement Plan in accordance with section 215.0.0.1.1 of that Act. The plan applies to that person from 1 January 2000 and the person is deemed to retire under that plan at the date on which the person retired under the Teachers Pension Plan or the Civil Service Superannuation Plan. Section 87 of this Act applies to such a person, with the necessary modifications.

93. For the purposes of section 121 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10), the first paragraph of section 215.0.0.7 of that Act does not apply to a person who retired before 1 January 2000.

94. The persons who were participating in the Teachers Pension Plan or the Civil Service Superannuation Plan on 31 December 1999 and who retired under any of those plans after the said date but before 1 January 2001 may avail themselves of section 53 or 77 of this Act, as the case may be, if their application for the redemption of service is received by the Commission before the latter date.

95. Notwithstanding the second paragraph of section 3.1 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) or the second paragraph of section 4.1 of the Act respecting the Pension Plan of Certain Teachers (R.S.Q., chapter R-9.1), where a person

ceases to participate in his or her pension plan when the person is not holding pensionable employment under that plan, is eligible for a pension before 1 January 2000 and resigns after 31 December 1999, the person is deemed, for the purposes of eligibility for benefits and their computation and for the purposes of Division IV.1 of Chapter IV of Title I of the Act respecting the Government and Public Employees Retirement Plan or of Division III.3 of the Act respecting the Pension Plan of Certain Teachers, to have ceased to participate on the date of the person's resignation.

96. The first regulations made under section 28 of this Act may, where they so provide, have effect from 1 January 2000.

97. The first regulations enacted after 16 June 2000 and amending the Regulation respecting the partition and assignment of benefits accrued under the Government and Public Employees Retirement Plan, enacted by Order in Council 351-91 (1991, G.O. 2, 1307), the Regulation respecting the partition and assignment of benefits accrued under the Teachers Pension Plan, enacted by decision CT 176506 (1991, G.O. 2, 1334) of the Conseil du trésor, the Regulation respecting the partition and assignment of benefits accrued under the pension plans provided for by the Act respecting the Civil Service Superannuation Plan, enacted by decision CT 176507 (1991, G.O. 2, 1327), the Regulation respecting the partition and assignment of benefits accrued under the Pension Plan of Certain Teachers, enacted by Order in Council 840-91 (1991, G.O. 2, 2114) may, where they so provide, have effect from 1 January 2000 if they operate to give effect to an amendment resulting from this Act.

Furthermore, the first regulations enacted under the second paragraph of section 75.1 of the Act respecting the Teachers Pension Plan and under the second paragraph of section 111.2 of the Act respecting the Civil Service Superannuation Plan may, where they so provide, have effect from 1 January 2000.

98. Sections 1 to 5, 7 to 20, 22, 25 to 34, 37 to 47 and 50 to 79 have effect from 1 January 2000.

99. Sections 6 and 35 have effect from 4 November 1998.

100. Section 23 has effect from 16 February 1978.

101. Paragraph 1 of section 48 has effect from 1 January 1999.

102. Paragraph 2 of section 48 has effect from 27 September 1999.

103. Paragraph 3 of section 48 and section 49 have effect from 27 August 1998.

104. This Act comes into force on 16 June 2000