

## Treasury Board

Gouvernement du Québec

### **T.B. 200380, 11 November 2003**

An Act respecting the Pension Plan of Certain Teachers (R.S.Q., c. R-9.1)

An Act respecting the Government and Public Employees Retirement Plan (R.S.Q., c. R-10)

An Act respecting the Pension Plan of Management Personnel (R.S.Q., c. R-12.1)

#### **Regulation — Amendments**

CONCERNING the Regulation to amend the Regulation respecting the application of the Act respecting the Pension Plan of Certain Teachers, the Regulation under the Act respecting the Government and Public Employees Retirement Plan and the Regulation under the Act respecting the Pension Plan of Management Personnel

WHEREAS, under paragraph 1.1 of section 41.8 of the Act respecting the Pension Plan of Certain Teachers (R.S.Q., c. R-9.1), the Government may, by regulation, establish the limits applicable to a pension amount added under section 35.9 of that Act and the manner in which an amount that exceeds the limits is to be adjusted;

WHEREAS the Government made the Regulation respecting the application of the Act respecting the Pension Plan of Certain Teachers by Order in Council 708-94 dated 18 May 1994 and its subsequent amendments;

WHEREAS, under subparagraph 9.1 of the first paragraph of section 134 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., c. R-10), the Government may, by regulation, establish, for the purposes of section 73.4 of that Act, the limits applicable to a pension amount added under sections 73.1 and 73.2 of that Act and the manner in which an amount that exceeds the limits is to be adjusted;

WHEREAS the Government made the Regulation under the Act respecting the Government and Public Employees Retirement Plan by Order in Council 1845-88 dated 14 December 1988 and its subsequent amendments;

WHEREAS, under the first paragraph of section 41.8 of the Act respecting the Pension Plan of Certain Teachers and section 134 of the Act respecting the Government and Public Employees Retirement Plan, the Government may make those regulations after the Commission administrative des régimes de retraite et d'assurances has consulted with the Comité de retraite referred to in sections 163 and 164 of the latter Act;

WHEREAS the Comité de retraite has been consulted;

WHEREAS it is expedient to amend the Regulations;

WHEREAS, under paragraph 8 of the first paragraph of section 196 of the Act respecting the Pension Plan of Management Personnel (R.S.Q., c. R-12.1), the Government may, by regulation, establish, for the purposes of section 107 of that Act, the limits applicable to a pension amount added under sections 104 and 105 and the manner in which an amount that exceeds the limits is to be adjusted;

WHEREAS the Government made the Regulation under the Act respecting the Pension Plan of Management Personnel by Conseil du trésor Decision 197329 dated 27 November 2001 and its subsequent amendments;

WHEREAS, under the first paragraph of that section 196, the Government shall make the regulation after the Commission administrative des régimes de retraite et d'assurance has consulted the Comité de retraite referred to in section 173.1 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., c. R-10);

WHEREAS the Comité de retraite has been consulted;

WHEREAS it is expedient to amend the Regulation;

WHEREAS, under section 40 of the Public Administration Act (R.S.Q., c. A-6.01), the Conseil du trésor shall, after consulting the Minister of Finance, exercise the powers conferred on the Government by an Act that establishes a pension plan applicable to personnel of the public and parapublic sectors, except certain powers;

WHEREAS the Minister of Finance, the Economy and Research has been consulted;

THEREFORE, THE CONSEIL DU TRÉSOR DECIDES :

THAT the Regulation to amend the Regulation respecting the application of the Act respecting the Pension Plan of Certain Teachers, the Regulation under the Act respecting the Government and Public Employees Retirement Plan and the Regulation under the Act respecting the Pension Plan of Management Personnel, attached to this Decision, be made.

ALAIN PARENTEAU,  
Clerk of the Conseil du trésor

**Regulation to amend the Regulation respecting the application of the Act respecting the Pension Plan of Certain Teachers,\* the Regulation under the Act respecting the Government and Public Employees Retirement Plan\*\* and the Regulation under the Act respecting the Pension Plan of Management Personnel\*\*\***

An Act respecting the Pension Plan of Certain Teachers (R.S.Q., c. R-9.1, s. 41.8, par 1.1)

An Act respecting the Government and Public Employees Retirement Plan (R.S.Q., c. R-10, s. 134, 1st par., subpar 9.1)

An Act respecting the Pension Plan of Management Personnel (R.S.Q., c. R-12.1, s. 196, 1st par., subpar. 8)

**1.** The Regulation respecting the application of the Act respecting the Pension Plan of Certain Teachers is amended by inserting the following after section 0.3:

\* The Regulation respecting the application of the Act respecting the Pension Plan of Certain Teachers, made by Order in Council 708-94 dated 18 May 1994 (1994, *G.O.* 2, 2046), was last amended by the regulation made by C.T. 197461 dated 18 December 2001 (2001, *G.O.* 2, 255).

\*\* The Regulation under the Act respecting the Government and Public Employees Retirement Plan, made by Order in Council 1845-88 dated 14 December 1988 (1988, *G.O.* 2, 4154) was last amended by the regulation made by C.T. 197330 dated 27 November 2001 (2001, *G.O.* 2, 6318).

\*\*\* The Regulation under the Act respecting the Pension Plan of Management Personnel, made by C.T. 197329 dated 27 November 2001 (2001, *G.O.* 2, 6317) was last amended by the regulation made by C.T. 199280 dated 21 January 2003 (2003, *G.O.* 2, 884). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Éditeur officiel du Québec, 2003, updated to 1 September 2003.

**“0.4.** The limits provided for in this Division may not operate to exceed the limits authorized under the Income Tax Act (R.S.C. 1985, chapter 1, 5th Supplement).”.

**2.** Section 12.5 of the Regulation under the Government and Public Employees Retirement Plan is amended by deleting “and, if applicable, section 215.0.0.7 of the Act” at the end of the definition of “TM”.

**3.** That Regulation is amended by inserting the following after section 12.5:

**“12.6.** The limits provided for in this Division may not operate to exceed the limits authorized under the Income Tax Act (R.S.C. 1985, chapter 1, 5th Supplement).”.

**4.** The Regulation under the Act respecting the Pension Plan of Management Personnel is amended by inserting the following after Division I.1:

**“DIVISION I.2  
LIMITS TO ADDED PENSION AMOUNTS**

**1.2.** For the purposes of sections 104 and 105 of the Act, the sum of the amounts that an employee may cause to be added to the employee’s pension may not exceed the amount “M” which corresponds to the lesser of the amounts “M<sub>1</sub>” and “M<sub>2</sub>” calculated using the following formulas:

$$M_1 = (F \times N_L \times 2.0\% \times TM) - CR_{RR}$$

$$M_2 = F \times N \times (1.1\% \times TM + \$230)$$

**1.3.** The amount added to an employee’s pension corresponds to the sum of the following amounts:

(1) the amount “MO” which corresponds to the lesser of the amounts “MO<sub>1</sub>” and “MO<sub>2</sub>” calculated using the following formulas:

$$i. MO_1 = [N_L \times [(F \times 2.0\% \times TM) - (0.7\% \times (TM \text{ or } MGA, \text{ whichever is lower}))]] - CR_{RR}$$

$$ii. MO_2 = F \times N \times 1.1\% \times TM; \text{ and}$$

(2) an amount equal to the difference between the amount “M” determined in section 1.2 and the amount “MO” determined in paragraph 1, if the employee is under 65 years of age when the pension becomes payable. The amount is paid until the end of the month in which the pensioner attains 65 years of age.

**1.4.** For the purposes of sections 1.2 and 1.3:

CR<sub>RR</sub> represents:

(1) the amount of the pension credit on the date of retirement, including the increase referred to in sections 89 and 107.1 of the Act respecting the Government and Public Employees Retirement Plan, and takes into account any applicable actuarial reduction or the increase provided for in section 93 of that Act;

(2) the amount of the paid-up annuity certificate indicated on the statement of benefits, taking into account, if applicable, an actuarial reduction of 0.5% per month calculated for each month included between the date of retirement and the person's sixty-fifth birthday;

(3) the value of the pension credit attributed to the amounts corresponding to the years and parts of a year recognized for purposes of eligibility and transferred into a locked-in retirement account (LIRA), calculated using the following formula:

(balance of the LIRA on the date of designation of the employer in Schedule I to the Act respecting the Government and Public Employees Retirement Plan or, as the case may be, Schedule II to the Act respecting the Pension Plan of Management Personnel x (5))

(value of a \$10 annual pension credit payable monthly as of age 65 according to Schedule V to the Act respecting the Government and Public Employees Retirement Plan and taking into account the age of the employee on the date of designation of the employer in the applicable schedule.)

The value of the pension credit attributed must include the rate of any increase referred to in section 89 of that Act, between the date of designation of the employer in the applicable schedule and the date of retirement, and take into account, if applicable, an actuarial reduction of 0.5% per month calculated for each month between the date of retirement and the person's sixty-fifth birthday;

F represents 1 less the percentage of actuarial reduction applicable to the pension of the employee;

MGA represents the average Maximum Pensionable Earnings within the meaning of the Act respecting the Québec Pension Plan (R.S.Q., c. R-9);

N represents the number of years and parts of a year referred to in paragraphs 1 to 3 of section 104 of the Act;

NL represents the minimum between N and 35 less the number of years of service credited to the plan;

TM represents the average pensionable salary determined as provided in section 52 of the Act respecting the Pension Plan of Management Personnel.

**1.5.** The limits provided for in this Division may not operate to exceed the limits authorized under the Income Tax Act (R.S.C. 1985, chapter 1, 5th Supplement).".

**5.** This Regulation comes into force on the day it is made.

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