

Gouvernement du Québec

T.B. 203096, 6 December 2005

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

**Application of Title IV.2
— Amendments**

Regulation to amend the Regulation respecting the application of Title IV.2 of the Act respecting the Government and Public Employees Retirement Plan

WHEREAS, under section 215.11.13 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., c. R-10), the amount of the pension and, where applicable, the amount of the pension credit of the person referred to in section 215.11.12 of the Act 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 administrative des régimes de retraite et d'assurances a certain established amount;

WHEREAS, under subparagraphs 2 and 3 of the first paragraph of section 215.13 of the Act, the Government may, by regulation, determine measures to allow the transfer of the actuarial value of the benefits of a person entitled to a deferred pension and measures designed to encourage retirement, and in particular measures designed to anticipate the payment of certain pension benefits;

WHEREAS, under the first paragraph of section 215.17 of the Act, government regulations under Title IV.2 of the Act shall be made after the Commission administrative des régimes de retraite et d'assurances has consulted with the pension committees referred to in sections 164 and 173.1 of the Act;

WHEREAS the pension committees have been consulted;

WHEREAS the Government made the Regulation respecting the application of Title IV.2 of the Act respecting the Government and Public Employees Retirement Plan by Order in Council 690-96 dated 12 June 1996, as amended;

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 has been consulted;

THEREFORE, THE CONSEIL DU TRÉSOR DECIDES:

THAT the Regulation to amend the Regulation respecting the application of Title IV.2 of the Act respecting the Government and Public Employees Retirement Plan, attached hereto, is hereby made.

SERGE MARTINEAU,
Clerk of the Conseil du trésor

Regulation to amend the Regulation respecting the application of Title IV.2 of the Act respecting the Government and Public Employees Retirement Plan*

An Act respecting the Government and Public Employees Retirement Plan
(R.S.Q., c. R-10, ss. 215.11.13, 215.13 and 215.17)

1. The Regulation respecting the application of Title IV.2 of the Act respecting the Government and Public Employees Retirement Plan is amended by inserting the following Chapter before Chapter I:

**“CHAPTER 0.1
ACTUARIAL REDUCTION OFFSET**

0.1. For the purposes of section 215.11.13 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., c. R-10), the amount of the pension and, where applicable, of the pension credit shall be increased by an amount corresponding to the actuarial reduction applicable under the person's plan if the person pays the amount established in accordance with the actuarial method and assumptions determined in Schedule III.

If a part of the amount is paid, the increase referred to in the first paragraph shall be adjusted in the proportion of the amount paid over the amount established for the purposes of that paragraph.”

* The Regulation respecting the application of Title IV.2 of the Act respecting the Government and Public Employees Retirement Plan, made by Order in Council 690-96 dated 2 June 1996 (1996, *G.O.* 2, 2759), was last amended by the regulation made by Decision T.B. 202421 dated 24 May 2005 (2005, *G.O.* 2, 1738). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Québec Official Publisher, 2005, updated to 1 September 2005.

2. Section 6 is amended by replacing “III” in the first paragraph by “IV”.

3. Schedule III is replaced by the following:

“SCHEDULE III

(ss. 0.1, 5, 6, 11 and 15.1)

ACTUARIAL METHOD AND ASSUMPTIONS

Actuarial method

The actuarial method is the “benefit allocation” method.

For the purposes of section 11, the actuarial value corresponds to the sum of 30% of the actuarial value determined for a male and 70% of the actuarial value determined for a female.

For the purposes of section 15.1, the actuarial value corresponds to the sum of 50% of the actuarial value determined for a male and 50% of the actuarial value determined for a female.

Actuarial assumptions

(1) Mortality rates:

The mortality rates are those determined in accordance with the CIA Standard.

(2) Interest rates:

For fully-indexed and non-indexed benefits:

The interest rates are those determined in accordance with the CIA Standard.

For partially-indexed benefits:

The interest rates are those determined according to the following formula:

$((1 + \text{interest rate for a non-indexed benefit}) / (1 + \text{indexing rate for a partially-indexed benefit})) - 1$

The result must be rounded to the nearest multiple of 0.25%.

(3) Indexing rate:

(a) for a fully-indexed benefit according to the rate of increase in the pension index, the indexing rate is computed in the manner described in the Standard of Practice for Determining Pension Commuted Values con-

firmed by the board of directors of the Canadian Institute of Actuaries on 15 June 2004, hereafter called the “CIA Standard”;

(b) for a benefit indexed according to the excess of the rate of increase in the pension index (PI) over 3% or to half of the rate of increase in the pension index, the indexing rate corresponds respectively to the excess of the indexing rate computed in the manner provided in subparagraph *a* over 3% or to half the indexing rate computed in the manner provided in that subparagraph.

In order to take into account the inflation rate variations, the following additions are made to the results of effective indexing formulas for actuarial value computation purposes.

Inflation level	Addition to the result of the PI-3% formula	Adjusted indexing rate	Addition to the result of the 50% PI, min. PI-3% formula	Adjusted indexing rate
0.5	0.1	0.1	0.05	0.3
1.0	0.1	0.1	0.10	0.6
1.5	0.3	0.3	0.15	0.9
2.0	0.5	0.5	0.20	1.2
2.5	0.7	0.7	0.15	1.4
3.0	1.0	1.0	0.20	1.7
3.5	0.8	1.3	0.25	2.0
4.0	0.6	1.6	0.30	2.3
4.5	0.5	2.0	0.45	2.7
5.0	0.4	2.4	0.50	3.0

(4) Turnover rate: Nil

(5) Disability rate: Nil

(6) Proportion of married persons at death:

Age	Male	Female
18 - 64 years old	85%	65%
65 -79 years old	80%	30%
80 - 109 years old	60%	10%
110 years old	0%	0%

(7) Age difference between spouses at death :

— the male spouse of the member is assumed to be one year older ;

— the female spouse of the member is assumed to be four years younger.

For the purposes of sections 5 and 6, the actuarial assumptions apply taking into account the rules of Part D of Section 3 of the CIA Standard.

For the purposes of sections 11 and 15.1, the interest rate applicable from the CANSIM series published by Statistics Canada in the Bank of Canada Review is the reported rate for the fourth month preceding the month in which the valuation date falls and not that of the second month.”.

4. Schedule IV is revoked.

5. This Regulation is made on 6 December 2005 but has effect as of 1 January 2006.

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Gouvernement du Québec

T.B. 203097, 6 December 2005

An Act respecting the Pension Plan of Peace Officers in Correctional Services
(R.S.Q., c. R-9.2)

Regulation — Amendments

Regulation to amend the Regulation under the Act respecting the Pension Plan of Peace Officers in Correctional Services

WHEREAS, under paragraphs 3 and 8 of section 130 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (R.S.Q., c. R-9.2), the Government may, by regulation, determine the actuarial assumptions and methods used to calculate the actuarial value of the benefits referred to in those paragraphs ;

WHEREAS the Government made the Regulation under the Act respecting the Pension Plan of Peace Officers in Correctional Services by Order in Council 1842-88 dated 14 December 1988, as amended ;

WHEREAS it is expedient to amend the Regulation to determine the actuarial assumptions and methods to calculate the actuarial value of those benefits ;

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 has been consulted ;

THEREFORE, THE CONSEIL DU TRÉSOR DECIDES :

THAT the Regulation to amend the Regulation under the Act respecting the Pension Plan of Peace Officers in Correctional Services, attached hereto, is hereby made.

SERGE MARTINEAU,
Clerk of the Conseil du trésor

Regulation to amend the Regulation under the Act respecting the Pension Plan of Peace Officers in Correctional Services*

An Act respecting the Pension Plan of Peace Officers in Correctional Services
(R.S.Q., c. R-9.2, s. 130, pars. 3 and 8)

1. Section 3 of the Regulation under the Act respecting the Pension Plan of Peace Officers in Correctional Services is replaced by the following :

“**3.** For the purposes of this Regulation, the expression “CIA Standard” refers to the Standard of Practice for Determining Pension Commuted Values” confirmed by the board of directors of the Canadian Institute of Actuaries on 15 June 2004.

3.0.1. For the purposes of sections 23 and 41.12 of the Act, the actuarial values of the benefits are established using the following actuarial method and assumptions :

Actuarial method

The actuarial method is the “projected benefit method pro rated on service”.

* The Regulation under the Act respecting the Pension Plan of Peace Officers in Correctional Services, made by Order in Council 1842-88 dated 14 December 1988 (1988, *G.O.* 2, 4149), was last amended by the regulation made by Decision T.B. 202422 dated 24 May 2005 (2005, *G.O.* 2, 1739). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Québec Official Publisher, 2005, updated to 1 September 2005.