



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-EIGHTH LEGISLATURE

Bill 52

(2007, chapter 43)

An Act to amend various legislative provisions concerning pension plans in the public sector

Introduced 13 November 2007
Passed in principle 30 November 2007
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Assented to 21 December 2007

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EXPLANATORY NOTES

This bill amends the Acts constituting public sector pension plans, mainly as a result of pension committee recommendations.

Thus, the bill amends the provisions of certain of these plans with regard to the return to work of a pensioner. It also amends certain plans to allow a pensioner to redeem years or parts of a year of service under certain conditions. In addition, it introduces a new method of computing interest on contributions, based on a member's actual participation in a plan in a year. The bill also standardizes both the financing period for the redemption of service in certain instances and the interest applicable.

The bill amends the Pension Plan of Peace Officers in Correctional Services, the Government and Public Employees Retirement Plan and the Pension Plan of Management Personnel to harmonize the pensionable salary for a year with the service credited in respect of that salary, for the purpose of computing contributions.

The bill also amends public sector pension plans so that the spouse of an employee who is a member of a pension plan may waive spousal rights to benefits under the plan.

It also regularizes the membership of certain persons in the Government and Public Employees Retirement Plan or Pension Plan of Management Personnel and provides for the transfer of certain amounts related to redemptions.

Lastly, the bill contains technical and consequential amendments to facilitate the administration of public sector pension plans.

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);
- Act respecting the Pension Plan of Management Personnel (R.S.Q., chapter R-12.1);
- Act respecting the Commission administrative des régimes de retraite et d'assurances (2006, chapter 49).

Bill 52

AN ACT TO AMEND VARIOUS LEGISLATIVE PROVISIONS CONCERNING PENSION PLANS IN THE PUBLIC SECTOR

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

ACT RESPECTING THE PENSION PLAN OF CERTAIN TEACHERS

1. The heading of Chapter III of the Act respecting the Pension Plan of Certain Teachers (R.S.Q., chapter R-9.1) is amended by inserting “HARMONIZED SERVICE,” after “SERVICE.”

2. Section 8 of the Act is amended by replacing “, 29.2” in the last line of the first paragraph by “to 29.3”.

3. Section 9 of the Act is amended

(1) by replacing “and the years of service” in the first line by “, years of service and harmonized service”;

(2) by replacing “23” in the second line by “23.3”.

4. Section 17 of the Act is amended

(1) by replacing the first sentence of the first paragraph by the following sentence: “The amount determined under section 15 or, as the case may be, under section 16 must be paid in a lump sum if the person is a pensioner and, if the person is not a pensioner, the amount may be paid by instalments over the period and at the times determined by the Commission.”;

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

“If the amount is paid by instalments, it bears interest, compounded annually, at the rate determined in Schedule VII to the Act respecting the Government and Public Employees Retirement Plan and in force on the date on which the application is received, computed from the date on which the redemption proposal made by the Commission expires.”;

(3) by striking out the third and fourth paragraphs.

5. Section 18 of the Act is amended by adding the following paragraph at the end:

“A pensioner under this plan may be credited under this plan with any year or part of a year of service that may be credited to a pensioner under the Government and Public Employees Retirement Plan by reason of the application of section 115.11 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10), provided the pensioner satisfies the conditions prescribed by that section.”

6. Section 22 of the Act is amended by replacing “the midpoint of the year in which” in the next to last line of the second paragraph by “the date”.

7. Section 31 of the Act is replaced by the following section:

“31. Benefits are paid to the pensioner until the first day of the month following the pensioner’s death or, in the case of the death of a person who ceased to participate in the plan and was eligible for a pension, from the date the person would have been entitled to receive the pension until the first day of the month following the person’s death.”

8. Section 34.16 of the Act is amended

(1) by replacing “each year” in the seventh line by “the period during which the person participated in a plan in the course of a year”;

(2) by replacing the last sentence by the following sentence: “The interest on any contribution within the meaning of section 34.6 is computed in accordance with section 219 of the Act respecting the Government and Public Employees Retirement Plan, adapted as required.”

9. The Act is amended by inserting the following division after section 35:

“DIVISION III.1.1

“WAIVER

“35.0.1. The spouse may waive the spousal benefits granted under the pension plan before the date of the death of the person who is a member of the plan, of the person who ceased to participate in the plan or of the pensioner. The spouse may also revoke the waiver before that date.

To be valid, the waiver or revocation must bear on all spousal benefits and be served on the Commission by means of a notice that must be received on a date that is prior to the date of death and contain the information determined by regulation.

The spouse’s waiver is cancelled if, on the date of the pensioner’s death, no refund of the contributions referred to in section 34.6 is payable to the pensioner’s successors. The computation is calculated at the date of death and based on the data known to the Commission on the date of its decision; that data is deemed to be accurate. When the spouse’s waiver is cancelled, the

spouse may receive the benefits the spouse is entitled to under the pension plan.

Despite the spouse's waiver, the pension plan is deemed to grant the spouse a right to death benefits for the purposes of article 415 of the Civil Code of Québec."

10. Section 37 of the Act is amended

(1) by striking out "and sections 236.3 and 236.4" in the first line of the second paragraph;

(2) by striking out the third paragraph.

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

"(1.0.1) determine, for the purposes of section 35.0.1, the information the waiver or revocation notice must contain;".

12. Section 51 of the Act is amended by striking out the second sentence of the first paragraph.

13. Section 59.1 of the Act is amended by striking out the last sentence of the third paragraph.

ACT RESPECTING THE PENSION PLAN OF PEACE OFFICERS
IN CORRECTIONAL SERVICES

14. The heading of Chapter II of the Act respecting the Pension Plan of Peace Officers in Correctional Services (R.S.Q., chapter R-9.2) is amended by inserting ", HARMONIZED SERVICE" after "SERVICE".

15. The Act is amended by inserting the following section after section 9:

9.1. When the pensionable salary of an employee who ceases to be a member of the plan at the end of a year is related to service credited for the last days of membership during that year but is paid at the beginning of the following year, it is deemed to be pensionable salary for the year in which it is paid even if no service is credited for that year."

16. Section 11 of the Act is amended

(1) by inserting "à un employé" after "payé" in the first line of the first paragraph in the French text;

(2) by adding the following at the end of the first paragraph: "even if no service is credited for that year. The same applies for a lump sum paid to a pensioner or a person who ceased to be a member of the plan if the lump sum

is paid as an increase or adjustment of the salary for a period prior to the pensioner's or person's membership in the plan";

(3) by striking out the second and third paragraphs.

17. Section 13 of the Act is amended by replacing "second" in the fourth line by "third".

18. Section 14 of the Act is amended by striking out the last paragraph.

19. Section 14.1 of the Act is amended by replacing the second, third and fourth paragraphs by the following paragraphs:

"For the purposes of the first paragraph, the pensionable salary of an employee who is credited with less than one year of service for service accumulated in a calendar year must not exceed

(1) the amount obtained by multiplying the salary required to reach the limit referred to in the first paragraph by the service credited to the employee during a year, if the basis of remuneration is 200 days; or

(2) the amount obtained by multiplying the salary required to reach the limit referred to in the first paragraph by the harmonized service for the year, if the basis of remuneration is 260 days.

This section does not apply to the pensionable salary for a year during which the employee, pensioner or person referred to in section 11 receives pensionable salary but is not credited with any service."

20. Section 15 of the Act is amended by replacing the last two sentences of the second paragraph by the following sentence: "The days and parts of a day are rounded to the fourth decimal."

21. Section 16 of the Act is amended

(1) by inserting "with the same employer" after "employment" in the second line of the first paragraph;

(2) by replacing "Despite the first paragraph" in the first line of the second paragraph by "However" and by striking out the last sentence of that paragraph;

(3) by adding the following paragraphs at the end:

"As a result of the application of the first two paragraphs, an employee is deemed to hold only one pensionable employment with the same employer.

If an employee simultaneously holds more than one pensionable employment with different employers under this plan, the first two paragraphs apply, once

the first three paragraphs have been applied, if necessary, in respect of the service accumulated with each employer.”

22. The Act is amended by inserting the following division after section 27:

“DIVISION II.1

“HARMONIZED SERVICE OF EMPLOYEES WHOSE BASIS OF REMUNERATION IS 260 DAYS

“27.1. Harmonized service is computed for an employee whose basis of remuneration is 260 days in order to reconcile the pensionable salary for a calendar year with the number of days and parts of a day credited to the employee for that year and for the last days of the previous year or the first days of the following year, as the case may be.

The harmonized service is established by dividing the number of days and parts of a day for which the employee paid or was exempt from contributions and the number of days and parts of a day otherwise credited to the employee, included in the pensionable salary reference period for the year and related to the employee’s pensionable salary for that year, by the number of contributory days included in that reference period for the class of employees to which the employee belongs. The days and parts of a day are rounded to the fourth decimal.

The pensionable salary reference period for a year, for employees in the same class, begins on the date of the first day covered by the first pay of the year and ends on the date of the last day covered by the last pay of that year.

Harmonized service is also computed for a person referred to in section 9.1 for the pensionable salary of the year for which no service is credited.

“27.2. The harmonized service of an employee who simultaneously holds more than one pensionable employment under the plan in a year is the aggregate of that service computed for each employment if the total service credited to the employee in respect of such employments is less than or equal to one year.

If the total service credited in respect of the pensionable employments of the employee is reduced for the purposes of section 16, the harmonized service in respect of the employee’s employments is the aggregate of the harmonized service in respect of each employment for which service is credited in full and the harmonized service in respect of the employment for which service is credited in part. The latter harmonized service is multiplied by the service credited for the latter employment over the service accumulated in such employment.”

23. Section 28 of the Act is amended by striking out the second paragraph.

24. Section 32 of the Act is amended by replacing “, third and fifth” in the first line of the second paragraph by “and fourth”.

25. Section 33 of the Act is amended by replacing “from the midpoint of each year” in the fourth line of the second paragraph by “, for each year, from the midpoint of the period during which the employee would have paid contributions if the employee had been a member of the plan in the course of that year”.

26. Section 36 of the Act is amended

(1) by inserting “of the Lieutenant-Governor,” after “staff” in the second line of the first paragraph;

(2) by replacing “from the midpoint of each year” in the sixth line of the second paragraph by “, for each year, from the midpoint of the period during which the employee would have paid contributions if the employee had been a member of the plan in the course of that year”.

27. Section 41.3 of the Act is amended by replacing “, 90 to 93, the second paragraph of section 95 and sections 96 and 97” in the first two lines by “and 90 to 93 and the second paragraph of section 95”.

28. Section 41.5 of the Act is amended by replacing “computed in accordance with section 96” in the fourth and fifth lines by “referred to in the second paragraph of section 95”.

29. Section 41.11 of the Act is amended by replacing “provided for in the third” in the second line of the second paragraph by “referred to in the second”.

30. Section 42 of the Act is amended

(1) by replacing the sixth and seventh lines of the first paragraph by “in the case of a pensioner or a person who ceased to be a member of the plan, from the pensionable salary mentioned in section 9.1 or a lump sum mentioned in section 11, an amount equal to the result of applying the contribution rate established by regulation under section 128 to that”;

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

“If the basis of remuneration is 200 days, the maximum pensionable earnings is multiplied, for the purposes of the amount withheld, by the service credited to the employee, pensioner or person who ceased to be a member of the plan, selecting only the number of days and parts of a day for which the employee, pensioner or person who ceased to be a member of the plan paid or was exempt from contributions in a year. If the basis of remuneration is 260 days, the maximum pensionable earnings is multiplied, for the purposes of the amount withheld, by the harmonized service of the employee, pensioner or

person who ceased to be a member of the plan, selecting only the days for which the employee, pensioner or person who ceased to be a member of the plan paid or was exempt from contributions.”

31. The Act is amended by inserting the following section after section 43.2:

“**43.3.** The amount to be withheld computed under section 42 is again computed, if applicable, to take into account the pensionable salary resulting from the application of subparagraph 2 of the second paragraph of section 14.”

32. Section 46 of the Act is amended by adding the following sentence at the end of the third paragraph: “In addition, the pensionable salary paid during 2008 and 2009 for which no service is credited is, despite sections 9.1 and 11, part of the pensionable salary of the last year during which service is credited and which is prior to the year during which the pensionable salary is paid.”

33. Section 54 of the Act is amended by replacing “for life” by “until the first day of the month following the pensioner’s death or, in the case of a person who ceased to be a member of the plan and was eligible for a pension, from the date the person would have been entitled to receive the pension until the first day of the month following the person’s death”.

34. Section 55 of the Act is repealed.

35. Section 72 of the Act is amended

(1) by striking out the last sentence of the first paragraph;

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

“For the purpose of computing the interest, the following conditions apply:

(1) the employee contributions within the meaning of section 71 and relating to a year, except those to which subparagraphs 2 to 4 apply, are deemed to have been received at the midpoint of the period during which the employee was a member of this plan during the year;

(2) in respect of the sums paid for the redemption of service credited or counted under the plan, the interest is computed from the date of their payment;

(3) in respect of the sums relating to the service of the employee while the employee was a member of a pension plan mentioned in section 143.3, the interest is computed from the date on which the employee began to pay contributions to this plan; and

(4) in respect of the sums the employee paid into a pension plan out of which service was transferred to this plan under section 41.7 or 133, the interest is computed from the date the sums concerned were transferred.

The other conditions for computing the interest on the contributions are established by regulation.”

36. The Act is amended by inserting the following division after section 74.0.1:

“DIVISION IV.0.1

“WAIVER

“74.0.2. The spouse may waive the spousal benefits granted under the pension plan before the date of the death of the employee, of the person who ceased to be a member of the plan or of the pensioner. The spouse may also revoke the waiver before that date.

To be valid, the waiver or revocation must bear on all spousal benefits and be served on the Commission by means of a notice that must be received on a date that is prior to the date of death and contain the information determined by regulation.

The spouse’s waiver is cancelled if, on the date of the pensioner’s death, no refund of the contributions referred to in section 71 is payable to the pensioner’s successors. The computation is calculated at the date of death as though there were no children entitled to a pension, and based on the data known to the Commission on the date of its decision; that data is deemed to be accurate. When the spouse’s waiver is cancelled, the spouse may receive the benefits the spouse is entitled to under the pension plan.

Despite the spouse’s waiver, the pension plan is deemed to grant the spouse a right to death benefits for the purposes of article 415 of the Civil Code of Québec.”

37. Section 74.7 of the Act is amended by replacing “from the midpoint of each year” in the ninth line of the first paragraph by “, for each year, from the midpoint of the period during which the employee would have paid contributions if the employee had been a member of this plan during that year”.

38. Section 107 of the Act is amended by replacing “who again holds pensionable employment under this plan before the age of 65, or who” in the first two lines of the first paragraph by “who, before the age of 65, again holds pensionable employment under this plan or”.

39. Section 130 of the Act is amended

(1) by striking out “or who may elect to be” in the second line of paragraph 0.1;

(2) by inserting the following paragraphs after paragraph 7.3:

“(7.3.1) establish, for the purposes of section 72, the other conditions for computing the interest on the contributions;

“(7.3.2) determine, for the purposes of section 74.0.2, the information the waiver or revocation notice must contain;”.

40. The Act is amended by inserting the following sections after section 139:

“**139.1.** Except in the case of an officer who has sent the Commission a notice under section 67.1 of the Police Act (chapter P-13.1), with respect to the years and parts of a year of service after 31 December 2006 credited to an employee under the pension plan of the Sûreté du Québec and transferred to this plan under section 41.7, the Commission must deposit in the consolidated revenue fund the actuarial value of the benefits accrued under that plan with respect to those years, without exceeding the actuarial value of the equivalent benefits to which the employee is entitled under this plan. The actuarial values are those established under section 41.7.

The sums transferred under the first paragraph bear interest, compounded annually, at the rates determined in Schedule VI from the date the application for transfer is received at the Commission in accordance with section 41.7 until the date on which the sums are deposited in the consolidated revenue fund.

“**139.2.** Except in the case of an officer who has sent the Commission a notice under section 67.1 of the Police Act (chapter P-13.1), with respect to the years and parts of a year of service after 31 December 2006 credited to an employee under this plan and transferred to the pension plan of the Sûreté du Québec in accordance with that pension plan, the Commission must transfer the actuarial value of the benefits accrued under this plan, without exceeding the actuarial value of the equivalent benefits to which the employee is entitled under the pension plan of the Sûreté du Québec. The actuarial values are those established under section 41.7.

The sums transferred under the first paragraph bear interest, compounded annually, at the rates determined in Schedule VI from the date the application for transfer is received at the Commission in accordance with the pension plan of the Sûreté du Québec until the date on which the sums are transferred.”

41. Section 143.20 of the Act is amended

(1) by adding “, as they read on (*insert the date preceding the date of coming into force of section 41 of this bill*),” after “Personnel” in the last line of the first paragraph;

(2) by adding “, as they read on (*insert the date preceding the date of coming into force of section 41 of this bill*),” after “Plan” in the second line of the second paragraph.

ACT RESPECTING THE GOVERNMENT AND PUBLIC EMPLOYEES
RETIREMENT PLAN

42. Section 2 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10) is amended by inserting “ of the Lieutenant-Governor,” after “staff” in the first line of paragraph 2.

43. Section 3 of the Act is amended by replacing “or the pension plans established pursuant to sections 9, 10 and 10.0.1” in the last two lines of the first paragraph by “, the pension plans established under sections 9, 10 and 10.0.1 or a supplemental pension plan the funds of which were transferred to the Commission under an Act”.

44. The heading of Chapter II of Title I of the Act is replaced by the following heading:

“PENSIONABLE SALARY, YEARS OF SERVICE, HARMONIZED
SERVICE AND REDEMPTION”.

45. The Act is amended by inserting the following section after section 14:

“**14.1.** When the pensionable salary of an employee who ceases to participate in the plan at the end of a year is related to service credited for the last days of membership during that year but is paid at the beginning of the following year, it is deemed to be pensionable salary for the year in which it is paid even if no service is credited for that year.”

46. Section 16 of the Act is amended

(1) by inserting “to an employee” after “paid” in the first line of the first paragraph;

(2) by adding the following at the end of the first paragraph: “, even if no service is credited for that year. The same applies for a lump sum paid to a pensioner or a person who ceased to participate in the plan if the lump sum is paid as an increase or adjustment of the salary for a period prior to the pensioner’s or person’s membership in the plan”;

(3) by striking out the second and third paragraphs.

47. Section 17 of the Act is amended by replacing “second” in the fourth line by “third”.

48. Section 18 of the Act is replaced by the following section:

“**18.** The pensionable salary of an employee who simultaneously holds more than one pensionable employment in a year under this plan includes the pensionable salary paid for all such employments if the total service credited in respect of such employments is less than or equal to one year.

If the total service credited in respect of the pensionable employments of that employee is reduced under section 20, the pensionable salary of the employee is equal to the total of the following amounts:

(1) the pensionable salary for each employment in respect of which service is credited in full; and

(2) the pensionable salary for the employment in respect of which service is credited in part, multiplied by the service credited in respect of that employment over the service accumulated in that employment.”

49. Section 18.1 of the Act is amended by replacing the second, third and fourth paragraphs by the following paragraphs:

“For the purposes of the first paragraph, the pensionable salary of an employee who is credited with less than one year of service for service accumulated in a calendar year must not exceed

(1) the amount obtained by multiplying the salary required to reach the limit referred to in the first paragraph by the service credited to the employee during a year, if the basis of remuneration is 200 days; or

(2) the amount obtained by multiplying the salary required to reach the limit referred to in the first paragraph by the harmonized service for the year, if the basis of remuneration is 260 days.

This section does not apply to the pensionable salary for a year during which the employee, pensioner or person referred to in section 16 receives pensionable salary but is not credited with any service.”

50. Section 19 of the Act is amended by replacing the last sentence of the second paragraph by the following sentence: “The days and parts of a day are rounded to the fourth decimal.”

51. Section 20 of the Act is replaced by the following section:

“20. If an employee simultaneously holds more than one pensionable employment with the same employer under this plan, the service accumulated by the employee is credited up to one year of service, beginning with service in respect of the employment to which the highest annual basic salary that is paid or would have been paid to the employee under the conditions of employment applicable on the last day credited in the year is attached.

However, an employee may not, in the year in which the employee becomes a member of this plan, be credited with more service than the number of contributory days comprised between the date on which the employee becomes a member of this plan and the end of that year. During the year in which the employee retires or becomes entitled to a deferred pension, the employee may not be credited with more service than the number of contributory days

comprised between 1 January and the date the employee ceased to participate in the plan.

As a result of the application of the first two paragraphs, an employee is deemed to hold only one pensionable employment with the same employer.

If an employee simultaneously holds more than one pensionable employment with different employers under this plan, the first two paragraphs apply, once the first three paragraphs have been applied, if necessary, in respect of the service accumulated with each employer.”

52. The Act is amended by inserting the following division after section 23:

“DIVISION II.1

“HARMONIZED SERVICE OF EMPLOYEES WHOSE BASIS OF REMUNERATION IS 260 DAYS

“23.1. Harmonized service is computed for an employee whose basis of remuneration is 260 days in order to reconcile the pensionable salary for a calendar year with the number of days and parts of a day credited to the employee for that year and for the last days of the previous year or the first days of the following year, as the case may be.

The harmonized service is established by dividing the number of days and parts of a day for which the employee contributed or was exempt from contributions and the number of days and parts of a day otherwise credited to the employee, included in the pensionable salary reference period for the year and related to the employee’s pensionable salary for that year, by the number of contributory days included in that reference period for the class of employees to which the employee belongs. The days and parts of a day are rounded to the fourth decimal.

The pensionable salary reference period for a year, for employees in the same class, begins on the date of the first day covered by the first pay of the year and ends on the date of the last day covered by the last pay of that year.

Harmonized service is also computed for a person referred to in section 14.1 for the pensionable salary of the year for which no service is credited.

“23.2. The harmonized service of an employee who simultaneously holds more than one pensionable employment under the plan in a year is the aggregate of that service computed for each employment if the total service credited to the employee in respect of such employments is less than or equal to one year.

If the total service credited in respect of the pensionable employments of that employee is reduced for the purposes of section 20, the harmonized service in respect of the employee’s employments is the aggregate of the

harmonized service in respect of each employment for which service is credited in full and the harmonized service in respect of the employment for which service is credited in part. The latter harmonized service is multiplied by the service credited for the latter employment over the service accumulated in such employment.

“23.3. When the first paragraph of section 20.1 applies, the harmonized service in respect of the pensionable employment under this plan is the harmonized service determined under this division multiplied by the credited service established under the first paragraph of that section over the credited service established under sections 19 and 20.

When the first or second paragraph of section 20.2 applies, the harmonized service in respect of the pensionable employment under this plan is the harmonized service determined under this division multiplied by the credited service established under the first or second paragraph of that section over the credited service established under sections 19 and 20.”

53. Section 24 of the Act is amended

- (1) by striking out the second paragraph;
- (2) by replacing “third” in the first line of the fourth paragraph by “second”.

54. Section 24.0.2 of the Act is amended

- (1) by replacing “fifth” in the first line of the second paragraph by “fourth”;
- (2) by replacing “third paragraph of that section” in the third and fourth lines of the second paragraph by “second paragraph of section 24”.

55. Section 29 of the Act is amended

- (1) by replacing the first nine lines of the first paragraph by

“29. The employer must withhold each year from the pensionable salary paid to”;

- (2) by replacing the tenth and eleventh lines of the first paragraph by “each employee and, in the case of a pensioner or person who ceased to participate in the plan, from the pensionable salary mentioned in section 14.1 or a lump sum mentioned in section 16, an amount equal to the result of applying the contribution rate determined by regulation under section 117 to that part of the pensionable salary”;

- (3) by replacing the second paragraph by the following paragraph:

“If the basis of remuneration is 200 days, the exemption of 35% is multiplied, for the purposes of the amount withheld, by the service credited to the

employee, pensioner or person who ceased to participate in the plan, selecting only the number of days and parts of a day for which the employee, pensioner or person who ceased to participate in the plan contributed or was exempt from contributions in a year. If the basis of remuneration is 260 days, the exemption of 35% is multiplied, for the purposes of the amount withheld, by the harmonized service of the employee, pensioner or person who ceased to participate in the plan, selecting only the days for which the employee, pensioner or person who ceased to participate in the plan contributed or was exempt from contributions in a year.”

56. The Act is amended by inserting the following section after section 29.2:

“29.3. The amount to be withheld computed under section 29 is again computed, if applicable, to take into account the pensionable salary resulting from the application of subparagraph 2 of the second paragraph of section 18, the second paragraph of section 20.1 or the third paragraph of section 20.2.”

57. Section 36 of the Act is amended by adding the following sentence at the end of the third paragraph: “In addition, the pensionable salary paid during 2008 and 2009 for which no service is credited is, despite sections 14.1 and 16, part of the pensionable salary of the last year during which service is credited and which is prior to the year during which the pensionable salary is paid.”

58. Section 36.2 of the Act is amended by replacing “in the first paragraph of section 137” in the fifth and sixth lines of the first paragraph by “in section 4 of the Act respecting the Commission administrative des régimes de retraite et d’assurances (2006, chapter 49)”.

59. Section 41 of the Act is amended by replacing “for life” by “until the first day of the month following the pensioner’s death or, in the case of a person who ceased to participate in the plan and was eligible for a pension, from the date the person would have been entitled to receive the pension without actuarial reduction until the first day of the month following the person’s death”.

60. Section 42 of the Act is repealed.

61. Section 43 of the Act is amended

(1) by replacing “employee” in the last paragraph by “person”;

(2) by replacing “il” in the last line of the last paragraph in the French text by “elle”.

62. The Act is amended by inserting the following division after section 59:

“DIVISION III.0.1**“WAIVER**

“59.0.1. The spouse may waive the spousal benefits granted under the pension plan before the date of the death of the employee, of the person who ceased to participate in the plan or of the pensioner. The spouse may also revoke the waiver before that date.

To be valid, the waiver or revocation must bear on all spousal benefits and be served on the Commission by means of a notice that must be received on a date that is prior to the date of death and contain the information determined by regulation.

The spouse’s waiver is cancelled if, on the date of the pensioner’s death, no refund of the contributions referred to in section 50 is payable to the pensioner’s successors. The computation is calculated at the date of death and based on the data known to the Commission on the date of its decision; that data is deemed to be accurate. When the spouse’s waiver is cancelled, the spouse may receive the benefits the spouse is entitled to under the pension plan.

Despite the spouse’s waiver, the pension plan is deemed to grant the spouse a right to death benefits for the purposes of article 415 of the Civil Code of Québec.”

63. Section 59.6 of the Act is amended by replacing “from the midpoint of each year” in the seventh line of the first paragraph by “, for each year, from the midpoint of the period during which the employee would have paid contributions if the employee had been a member of this plan in the course of that year.”

64. Section 59.6.0.2 of the Act is amended by replacing “from the midpoint of each year” in the eighth and ninth lines of the first paragraph by “, for each year, from the midpoint of the period during which the employee would have paid contributions if the employee had been a member of that plan in the course of that year.”

65. Section 60 of the Act is amended by replacing “or the pension plans established pursuant to sections 9, 10 and 10.0.1” in the third and fourth lines of subparagraph 1 of the first paragraph by “, the pension plans established under sections 9, 10 and 10.0.1 or a supplemental pension plan the funds of which were transferred under an Act;”.

66. Section 67 of the Act is amended by inserting the following subparagraph after subparagraph 3 of the first paragraph:

“(3.1) the pension granted under a supplemental pension plan the funds of which were transferred under an Act;”.

67. Section 71 of the Act is amended by inserting “, as they read on 31 December 2006,” after “122” in the second line.

68. Section 75 of the Act is amended by replacing “computed in accordance with section 96” in the last line of the second paragraph by “referred to in the second paragraph of section 95”.

69. Section 83 of the Act is repealed.

70. Section 85 of the Act is amended by striking out the second paragraph.

71. Section 85.1 of the Act is amended

(1) by replacing “contributions” in the first line of the fourth paragraph by “sums”;

(2) by striking out “the contributions or, as the case may be,” in the thirteenth line of the fourth paragraph.

72. Sections 85.12 and 85.16 of the Act are repealed.

73. Section 92 of the Act is amended by striking out “section 117 of this Act or” in the first and second lines of the second paragraph.

74. Section 93 of the Act is amended by replacing “unpaid pension credit, where such is the case, is increased, for its duration,” in the first line by “pension credit not paid to a pensioner under the second paragraph of section 153 or the first paragraph of section 154 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1) pursuant to section 3.2 of this Act is increased for its duration, where applicable,”.

75. Section 95 of the Act is amended

(1) by inserting “over the period and at the times determined by the Commission” after “instalments” in the first line of the second paragraph;

(2) by adding the following sentence at the end of the second paragraph: “If the sum is paid by instalments, it bears interest, compounded annually, at the rate determined in Schedule VII and in force on the date on which the application is received, computed from the date on which the redemption proposal made by the Commission expires.”

76. Sections 96 and 97 of the Act are repealed.

77. Section 114.1 of the Act is amended

(1) by inserting “of the Lieutenant-Governor,” after “staff” in the second line of the first paragraph;

(2) by replacing “from the midpoint of each year” in the fourth and fifth lines of the second paragraph by “, for each year, from the midpoint of the period during which the employee would have paid contributions if the employee had been a member of the plan in the course of that year”.

78. The Act is amended by inserting the following division after section 115.10:

“DIVISION V

“REDEMPTION OF SERVICE BY A PENSIONER

“115.11. A pensioner for whom the number of years and parts of a year of service used for computing the pension was reduced and who, on the date the pensioner ceased to participate in this plan, was or would have been entitled to be credited with years and parts of a year of service under the provisions of the plan may, if the pensioner applies to redeem that service within 180 days of the date of the decision sent by the Commission notifying the pensioner of the reduction, take advantage of those provisions to be credited with years and parts of a year of service, up to the number by which the pensioner’s service was reduced.

The amount the pensioner must pay to cover the cost of redemption is established on the date of retirement and the provisions apply, adapted as follows:

(1) the “date of receipt of the application”, and any reference to that date, means the date of retirement;

(2) when the cost of redemption is established on the basis of the annual pensionable salary on the date of receipt of the application for redemption, the annual pensionable salary is equal to

(a) the salary that was or would have been paid under the conditions of employment that were or would have been applicable if the pensioner held or had continued to hold, until the date of retirement, the employment the pensioner held on the last day of credited service before retiring; or,

(b) if the employment held with the employer no longer exists on the date of retirement, the salary the pensioner received on the last day of credited service, increased by the percentage of increase applicable to the salary scales that apply to the same class of employment with an employer whose conditions of employment are governed by the Act respecting the process of negotiation of the collective agreements in the public and parapublic sectors (chapter R-8.2) between the last day of credited service and the date of retirement; and

(3) when the amount required to cover the cost of redemption bears interest, no interest is computed after the date of retirement.

The amount required to cover the cost of redemption is payable in a lump sum.”

79. Chapter VII of the Act is replaced by the following chapter:

“CHAPTER VII

“RETURN TO WORK OF A PENSIONER

“116. A pensioner who again holds pensionable employment under this plan or holds pensionable employment under the Pension Plan of Management Personnel or the Pension Plan of Peace Officers in Correctional Services continues to receive the benefits referred to in the first paragraph of section 67.

“117. If a pensioner under this plan is covered by the provisions on the return to work of a pensioner under Chapter V of the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2), only the provisions of that chapter apply.”

80. Section 127 of the Act is amended by replacing “contributions of funds paid” in subparagraph 2 of the first paragraph by “sums paid”.

81. Section 133.17 of the Act, enacted by section 136 of chapter 39 of the statutes of 2004, is amended

(1) by striking out “to the consolidated revenue fund” in the fourth and fifth lines of the first paragraph;

(2) by striking out “to the consolidated revenue fund” in the fourth and fifth lines of the second paragraph.

82. Section 134 of the Act is amended

(1) by replacing “164” in the second line of the first paragraph by “163”;

(2) by inserting the following subparagraph after subparagraph 9.0.1 of the first paragraph:

“(9.0.2) establish, for the purposes of section 59.0.1, the information the waiver or revocation notice must contain;”;

(3) by inserting the following subparagraph after subparagraph 16 of the first paragraph:

“(16.0.1) prescribe, for the purposes of section 147.0.1, the manner of determining the latest date on which errors or corrections may be identified or received in order for the Commission to adjust the amount of a pension downwards;”;

(4) by replacing subparagraph 24 of the first paragraph by the following subparagraph:

“(24) determine, for the purposes of section 219, the other conditions for computing the interest on contributions within the meaning of section 50;”.

83. Section 147.0.1 of the Act is replaced by the following section:

“147.0.1. The Commission may adjust downwards the amount of a pension the payment of which has begun, in order to correct an error in computation or to take into account a correction made to the data used for computing the pension if the error or correction is identified or received not later than the date determined in the manner established by regulation. The downwards adjustment may be carried out within the 12 months following that date.

Subsequently, the amount of a pension may not be adjusted downwards by reason of an error in computation or a correction made to the data used for computing the pension.”

84. Section 151 of the Act is amended

(1) by striking out “until the date the application is received at the Commission and at the rate determined in Schedule VII from the day following that date” in the eighth, ninth and tenth lines of the second paragraph;

(2) by striking out “until the date the application is received at the Commission and at the rate determined in Schedule VIII to that Act, in force on that date, from the day following that date” in the fourteenth, fifteenth, sixteenth and seventeenth lines of the second paragraph.

85. Section 191 of the Act is amended

(1) by striking out “, on the person’s application,” in the seventh and eighth lines of the second paragraph;

(2) by striking out the last paragraph.

86. Sections 201 and 207 of the Act are repealed.

87. Section 208 of the Act is amended by replacing “the person holds or again holds pensionable employment under section 207 at 65 years of age or over” in the first two lines of the first paragraph by “a person 65 years of age or over holds or again holds pensionable employment under the retirement plan established under this Act, even if, while in that employment, the person is a member of the Pension Plan of Certain Teachers, or if the person holds pensionable employment under the Pension Plan of Management Personnel or the Pension Plan of Peace Officers in Correctional Services”.

88. Section 214 of the Act is amended by replacing “164 and 173.1” in the second and third lines of the first paragraph by “163 of this Act and 196.2 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1)”.

89. Section 216.1 of the Act is amended by striking out the last sentence of the third paragraph.

90. Section 219 of the Act is replaced by the following section:

“**219.** For the purpose of computing the interest, the following conditions apply:

(1) the employee contributions within the meaning of section 50 and related to a year, except those to which subparagraphs 2 and 3 apply, are deemed to have been received at the midpoint of the period during which the employee was, during the year, a member of the Government and Public Employees Retirement Plan or of another plan out of which service was transferred to the Government and Public Employees Retirement Plan;

(2) in respect of the sums paid for the redemption of years or parts of a year of service credited or counted under that plan, the interest is computed from the date of their payment;

(3) in respect of the sums the employee paid into a pension plan out of which service was transferred to the Government and Public Employees Retirement Plan under section 101, 109.2, 109.8 or 158, the interest is computed from the date the sums concerned were transferred.

The other conditions for computing the interest on the contributions within the meaning of section 50 are established by regulation.”

91. Section 221.1 of the Act is amended by replacing “contributions” in the first line of the fifth paragraph by “sums”.

92. Sections 236.3 and 236.4 of the Act are repealed.

93. Schedule I to the Act is amended

(1) by inserting “the Société de l’assurance automobile du Québec” at the end of paragraph 5;

(2) by inserting the following paragraph after paragraph 12.1:

“12.2. THE MEMBERS OF THE STAFF OF THE LIEUTENANT-GOVERNOR, OF A MINISTER OR OF A PERSON REFERRED TO IN SECTION 124.1 OF THE ACT RESPECTING THE NATIONAL ASSEMBLY (CHAPTER A-23.1) WHO ARE ENTITLED TO REASSIGNMENT TO PENSIONABLE EMPLOYMENT UNDER THE GOVERNMENT AND

PUBLIC EMPLOYEES RETIREMENT PLAN OR THE PENSION PLAN OF MANAGEMENT PERSONNEL”.

ACT RESPECTING THE TEACHERS PENSION PLAN

94. Section 10.1 of the Act respecting the Teachers Pension Plan (R.S.Q., chapter R-11) is amended by striking out the last sentence of the third paragraph.

95. Section 13 of the Act is amended by replacing the third paragraph by the following paragraph:

“A lump sum paid to a pensioner is included in the pensionable salary only if it is paid as an increase or adjustment of the salary for a prior period of participation in the plan.”

96. Section 14 of the Act is amended by replacing “second” in the fourth line by “third”.

97. Section 16 of the Act is amended by replacing the last sentence of the second paragraph by the following sentence: “The days and parts of a day are rounded to the fourth decimal.”

98. Section 21 of the Act is amended

(1) by striking out the second paragraph;

(2) by replacing “third” in the first line of the fourth paragraph and in the third line of the sixth paragraph by “second”.

99. The Act is amended by inserting the following division after section 28:

“DIVISION III

“REDEMPTION OF SERVICE BY A PENSIONER

“28.0.1. A pensioner for whom the number of years and parts of a year of service used for computing the pension was reduced and who, on the date the pensioner ceased to participate in this plan, was entitled or would have been entitled to be credited with years and parts of a year of service under the provisions of the plan may, if the pensioner applies to redeem that service within 180 days of the date of the decision sent by the Commission notifying the pensioner of the reduction, take advantage of those provisions to be credited with years and parts of a year of service, up to the number by which the pensioner’s service was reduced.

The amount the pensioner must pay to cover the cost of redemption is established on the date of retirement and the provisions apply, adapted as follows:

(1) the “date of receipt of the application”, and any reference to that date, means the date of retirement;

(2) when the cost of redemption is established on the basis of the annual pensionable salary on the date of receipt of the application for redemption, the annual pensionable salary is equal to

(a) the salary that was or would have been paid under the conditions of employment that were or would have been applicable if the pensioner held or had continued to hold, until the date of retirement, the employment the pensioner held on the last day of credited service before retiring; or,

(b) if the employment held with the employer no longer exists on the date of retirement, the salary the pensioner received on the last day of credited service, increased by the percentage of increase applicable to the salary scales that apply to the same class of employment with an employer whose conditions of employment are governed by the Act respecting the process of negotiation of the collective agreements in the public and parapublic sectors (chapter R-8.2) between the last day of credited service and the date of retirement; and

(3) when the amount required to cover the cost of redemption bears interest, no interest is computed after the date of retirement.

The amount required to cover the cost of redemption is payable in a lump sum.”

100. Section 28.5.8 of the Act is amended by replacing “88, 90 to 93, the second paragraph of section 95 and sections 96 and 97” in the first two lines by “88 and 90 to 93 and the second paragraph of section 95”.

101. Section 28.5.10 of the Act is amended by replacing “computed in accordance with section 96” in the fourth and fifth lines by “referred to in the second paragraph of section 95”.

102. Section 28.5.12 of the Act is amended by replacing “to 72” in the first line of the last paragraph by “, 68”.

103. Section 29 of the Act is amended by striking out “, except in respect of a teacher contemplated, as the case may be, in section 43.2 or 89.5 of the Act respecting the Civil Service Superannuation Plan (chapter R-12), from the date on which his election not to participate applies,” in the first four lines of the first paragraph.

104. Section 42 of the Act is amended by replacing “for life” by “until the first day of the month following the pensioner’s death or, in the case of a person who ceased to participate in the plan and was eligible for a pension, from the date the person would have been entitled to receive the pension without actuarial reduction until the first day of the month following the person’s death.”

105. Section 43 of the Act is repealed.

106. Section 44 of the Act is amended

(1) by replacing “teacher” in the first line of the last paragraph by “person”;

(2) by replacing “il” in the last line of the last paragraph in the French text by “elle”.

107. The Act is amended by inserting the following division after section 60.1:

“DIVISION IV.1

“WAIVER

“60.2. The spouse may waive the spousal benefits granted under the pension plan before the date of the death of the teacher, the person who ceased to participate in the plan or the pensioner. The spouse may also revoke the waiver before that date.

To be valid, the waiver or revocation must bear on all spousal benefits and be served on the Commission by means of a notice that must be received on a date that is prior to the date of death and contain the information determined by regulation.

The spouse’s waiver is cancelled if, on the date of the pensioner’s death, no refund of the contributions referred to in section 58 is payable to the pensioner’s successors. The computation is calculated at the date of death as though there were no children entitled to a pension, and based on the data known to the Commission on the date of its decision; that data is deemed to be accurate. When the spouse’s waiver is cancelled, the spouse may receive the benefits the spouse is entitled to under the pension plan.

Despite the spouse’s waiver, the pension plan is deemed to grant the spouse a right to death benefits for the purposes of article 415 of the Civil Code of Québec.”

108. Section 67 of the Act is replaced by the following section:

“67. Any benefit shall continue to be paid to a pensioner holding pensionable employment under the Civil Service Superannuation Plan, the Government and Public Employees Retirement Plan or the Pension Plan of Management Personnel.”

109. Division II of Chapter V of the Act, comprising sections 69 to 72, is repealed.

110. Section 73 of the Act is amended by inserting the following paragraph after paragraph 8:

“(8.1) determine, for the purposes of section 60.2, the information the waiver or revocation notice must contain;”.

111. Sections 83.2 and 83.3 of the Act are repealed.

ACT RESPECTING THE CIVIL SERVICE SUPERANNUATION PLAN

112. Section 52 of the Act respecting the Civil Service Superannuation Plan (R.S.Q., chapter R-12) is amended by replacing the third paragraph by the following paragraph:

“A lump sum paid to a pensioner is included in the pensionable salary only if it is paid as an increase or adjustment of the salary for a prior period of participation in the plan.”

113. Section 58 of the Act is amended by replacing the last sentence of the second paragraph by the following sentence: “The days and parts of a day are rounded to the fourth decimal.”

114. Section 61 of the Act is amended by replacing “second” in the fourth line by “third”.

115. Section 66.1 of the Act is amended

(1) by striking out the second paragraph;

(2) by replacing “third” in the first line of the fourth paragraph and in the third line of the sixth paragraph by “second”.

116. The Act is amended by inserting the following section after section 66.2:

“66.3. A pensioner for whom the number of years and parts of a year of service used for computing the pension was reduced and who, on the date the pensioner ceased to participate in this plan, was entitled or would have been entitled to be credited with years and parts of a year of service under the provisions of the plan may, if the pensioner applies to redeem that service within 180 days of the date of the decision sent by the Commission notifying the pensioner of the reduction, take advantage of those provisions to be credited with years and parts of a year of service, up to the number by which the pensioner’s service was reduced.

The amount the pensioner must pay to cover the cost of redemption is established on the date of retirement and the provisions apply, adapted as follows:

(1) the “date of receipt of the application”, and any reference to that date, means the date of retirement;

(2) when the cost of redemption is established on the basis of the annual pensionable salary on the date of receipt of the application for redemption, the annual pensionable salary is equal to

(a) the salary that was or would have been paid under the conditions of employment that were or would have been applicable if the pensioner held or had continued to hold, until the date of retirement, the employment the pensioner held on the last day of credited service before retiring; or,

(b) if the employment held with the employer no longer exists on the date of retirement, the salary the pensioner received on the last day of credited service, increased by the percentage of increase applicable to the salary scales that apply to the same class of employment with an employer whose conditions of employment are governed by the Act respecting the process of negotiation of the collective agreements in the public and parapublic sectors (chapter R-8.2) between the last day of credited service and the date of retirement; and

(3) when the amount required to cover the cost of redemption bears interest, no interest is computed after the date of retirement.

The amount required to cover the cost of redemption is payable in a lump sum.”

117. Section 68 of the Act is amended by replacing “for life” in the second line of the first paragraph by “until the first day of the month following the pensioner’s death or, in the case of a person who ceased to participate in the plan and was eligible for a pension, from the date the person would have been entitled to receive the pension without actuarial reduction until the first day of the month following the person’s death”.

118. Section 69 of the Act is amended by striking out “, except in respect of an officer contemplated in section 71 of the Act respecting the Teachers Pension Plan (chapter R-11), from the date on which his election not to participate applies,” in the first three lines of the first paragraph.

119. Section 75 of the Act is repealed.

120. Section 76 of the Act is amended

(1) by replacing “an officer” in the first line of the second paragraph by “a person”;

(2) by replacing “il” in the last line of the second paragraph in the French text by “elle”.

121. The Act is amended by inserting the following section after section 82.3:

“82.4. The spouse may waive the spousal benefits granted under the plan provided for in this division before the date of the death of the officer, of the person who ceased to participate in the plan or of the pensioner. The spouse may also revoke the waiver before that date.

To be valid, the waiver or revocation must bear on all spousal benefits and be served on the Commission by means of a notice that must be received on a date that is prior to the date of death and contain the information determined by regulation.

The spouse’s waiver is cancelled if, on the date of the pensioner’s death, no refund of the contributions referred to in section 82.1 is payable to the pensioner’s successors. The computation is calculated at the date of death as though there were no children entitled to a pension, and based on the data known to the Commission on the date of its decision; that data is deemed to be accurate. When the spouse’s waiver is cancelled, the spouse may receive the benefits the spouse is entitled to under the pension plan.

Despite the spouse’s waiver, the pension plan is deemed to grant the spouse a right to death benefits for the purposes of article 415 of the Civil Code of Québec.”

122. Section 89.2 of the Act is replaced by the following section:

“89.2. Any benefit shall continue to be paid to a pensioner holding pensionable employment under the Teachers Pension Plan, the Government and Public Employees Retirement Plan or the Pension Plan of Management Personnel.”

123. Sections 89.3 to 89.6 of the Act are repealed.

124. Section 99.16 of the Act is repealed.

125. Section 99.17.3 of the Act is amended by replacing “88, 90 to 95, the second paragraph of section 95 and sections 96 and 97” in the first two lines by “88 and 90 to 95 and the second paragraph of section 95”.

126. Section 99.17.5 of the Act is amended by replacing “computed in accordance with section 96” in the fourth and fifth lines by “referred to in the second paragraph of section 95”.

127. Section 99.17.7 of the Act is amended by replacing “to 89.6” in the first line of the last paragraph by “, 89.2”.

128. Section 109 of the Act is amended by inserting the following paragraph after paragraph 8:

“(8.0.1) determine, for the purposes of section 82.4, the information the waiver or revocation notice must contain;”.

129. Section 111.0.1 of the Act is amended by striking out the last sentence of the third paragraph.

130. Sections 119.2, 119.3 and 119.4 of the Act are repealed.

ACT RESPECTING THE PENSION PLAN OF MANAGEMENT PERSONNEL

131. Section 2 of the Act respecting the Pension Plan of Management Personnel (R.S.Q., chapter R-12.1) is amended by replacing the first three lines of paragraph 5 by the following:

“(5) a member of the staff of the Lieutenant-Governor, of a minister or of a person referred to in section 124.1 of the Act respecting the National Assembly (chapter A-23.1), who holds non-unionizable employment designated in paragraph 4 of Division I of Schedule I”.

132. The heading of Chapter II of the Act is replaced by the following heading:

“PENSIONABLE SALARY, YEARS OF SERVICE, HARMONIZED SERVICE AND REDEMPTION”.

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

“**25.1.** When the pensionable salary of an employee who ceases to be a member of the plan at the end of a year is related to service credited for the last days of membership during that year but is paid at the beginning of the following year, it is deemed to be pensionable salary for the year in which it is paid even if no service is credited for that year.”

134. Section 26 of the Act is replaced by the following section:

“**26.** Despite section 25, a lump sum paid to an employee as an increase or adjustment of the pensionable salary for a previous year shall form part of the pensionable salary for the year in which it is paid, even if no service is credited for that year. The same applies for a lump sum paid to a pensioner or a person who ceased to be a member of the plan if the lump sum is paid as an increase or adjustment of the salary for a period prior to the end of the pensioner’s or person’s membership in the plan.

Any part of the lump sum that is attributable to an increase or adjustment of the salary paid to a pensioner for any period during which the pensioner is an employee for the purposes of the plan is included if the pensioner holds pensionable employment under the plan.”

135. Section 28 of the Act is amended by replacing “second” in the fourth line by “third”.

136. Section 30 of the Act is amended by replacing the second, third and fourth paragraphs by the following paragraphs:

“For the purposes of the first paragraph, the pensionable salary of an employee who is credited with less than one year of service for service accumulated in a calendar year must not exceed

(1) the amount obtained by multiplying the salary required to reach the limit referred to in the first paragraph by the service credited to the employee during a year, if the basis of remuneration is 200 days; or

(2) the amount obtained by multiplying the salary required to reach the limit referred to in the first paragraph by the harmonized service for the year, if the basis of remuneration is 260 days.

This section does not apply to the pensionable salary for a year during which the employee, pensioner or person referred to in section 26 receives pensionable salary but is not credited with any service.”

137. Section 31 of the Act is amended by replacing the last sentence of the second paragraph by the following sentence: “The days and parts of a day are rounded to the fourth decimal.”

138. Section 32 of the Act is amended

(1) by replacing “under the plan” in the second line of the first paragraph by “with the same employer under this plan”;

(2) by replacing “Notwithstanding the first paragraph” in the first line of the second paragraph by “However” and by striking out the last sentence of that paragraph;

(3) by adding the following paragraphs at the end:

“As a result of the application of the first two paragraphs, an employee is deemed to hold only one pensionable employment with the same employer.

If an employee simultaneously holds more than one pensionable employment with different employers under this plan, the first two paragraphs apply, once the first three paragraphs have been applied, if necessary, in respect of the service accumulated with each employer.”

139. The Act is amended by inserting the following division after section 37:

“DIVISION III**“HARMONIZED SERVICE OF EMPLOYEES WHOSE BASIS OF REMUNERATION IS 260 DAYS**

“37.1. Harmonized service is computed for an employee whose basis of remuneration is 260 days in order to reconcile the pensionable salary for a calendar year with the number of days and parts of a day credited to the employee for that year and for the last days of the previous year or the first days of the following year, as the case may be.

The harmonized service is established by dividing the number of days and parts of a day for which the employee paid or was exempt from contributions and the number of days and parts of a day otherwise credited to the employee, included in the pensionable salary reference period for the year and related to the employee’s pensionable salary for that year, by the number of contributory days included in that reference period for the class of employees to which the employee belongs. The days and parts of a day are rounded to the fourth decimal.

The pensionable salary reference period for a year, for employees in the same class, begins on the date of the first day covered by the first pay of the year and ends on the date of the last day covered by the last pay of that year.

Harmonized service is also computed for a person referred to in section 25.1 for the pensionable salary of the year for which no service is credited.

“37.2. The harmonized service of an employee who simultaneously holds more than one pensionable employment under the plan in a year is the aggregate of that service computed for each employment if the total service credited to the employee in respect of such employments is less than or equal to one year.

If the total service credited in respect of the pensionable employments of that employee is reduced for the purposes of the first paragraph of section 32, the harmonized service in respect of the employee’s employments is the aggregate of the harmonized service in respect of each employment for which service is credited in full and the harmonized service in respect of the employment for which service is credited in part. The latter harmonized service is multiplied by the service credited for the latter employment over the service accumulated in such employment.

“37.3. When the first paragraph of section 33.1 applies, the harmonized service in respect of the pensionable employment under this plan is the harmonized service determined under this division multiplied by the credited service established under the first paragraph of that section over the credited service established under sections 31 and 32.

“DIVISION IV**“REDEMPTION OF YEARS OF SERVICE”.****140.** Section 38 of the Act is amended

- (1) by striking out the second paragraph;
- (2) by replacing “third” in the first sentence of the fourth paragraph by “second”.

141. Section 41 of the Act is amended

- (1) by replacing the fifth to ninth lines of the first paragraph by “, withhold each year from the pensionable salary paid”;
- (2) by replacing the tenth, eleventh and twelfth lines of the first paragraph by “to each employee and, in the case of a pensioner or person who ceased to be a member of the plan, from the pensionable salary mentioned in section 25.1 or a lump sum mentioned in section 26, an amount equal to the result of applying the contribution rate determined by regulation made under section 174 to that part of the”;

- (3) by replacing the second paragraph by the following paragraph:

“If the basis of remuneration is 200 days, the exemption of 35% is multiplied, for the purposes of the amount withheld, by the service credited to the employee, pensioner or person who ceased to be a member of the plan, selecting only the number of days and parts of a day for which the employee, pensioner or person who ceased to be a member of the plan paid or was exempt from contributions in a year. If the basis of remuneration is 260 days, the exemption of 35% is multiplied, for the purposes of the amount withheld, by the harmonized service of the employee, pensioner or person who ceased to be a member of the plan, selecting only the days for which the employee, pensioner or person who ceased to be a member of the plan paid or was exempt from contributions in a year.”

142. The Act is amended by inserting the following section after section 43.1:

“43.2. The amount to be withheld computed under section 41 is again computed, if applicable, to take into account the pensionable salary resulting from the application of subparagraph 2 of the second paragraph of section 29 or the second paragraph of section 33.1.”

143. Section 52 of the Act is amended by adding the following sentence at the end of the third paragraph: “In addition, the pensionable salary paid during 2008 and 2009 for which no service is credited is, despite sections 25.1 and 26, part of the pensionable salary of the last year during which service is

credited and which is prior to the year during which the pensionable salary is paid.”

144. Section 60 of the Act is amended by replacing “for life” by “until the first day of the month following the pensioner’s death or, in the case of a person who ceased to be a member of the plan and was eligible for a pension, from the date the person would have been entitled to receive the pension without actuarial reduction until the first day of the month following the person’s death”.

145. Section 61 of the Act is repealed.

146. Section 62 of the Act is amended

(1) by replacing “employee” in the last paragraph by “person”;

(2) by replacing “il” in the last line of the last paragraph in the French text by “elle”.

147. The Act is amended by inserting the following division after section 79:

“DIVISION III.1

“WAIVER

“**79.1.** The spouse may waive the spousal benefits granted under the pension plan before the death of the employee, of the person who ceased to be a member of the plan or of the pensioner. The spouse may also revoke the waiver before that date.

To be valid, the waiver or revocation must bear on all spousal benefits and be served on the Commission by means of a notice that must be received on a date that is prior to the date of death and contain the information determined by regulation.

The spouse’s waiver is cancelled if, on the date of the pensioner’s death, no refund of the contributions referred to in section 73 is payable to the pensioner’s successors. The computation is calculated at the date of death and based on the data known to the Commission on the date of its decision; that data is deemed to be accurate. When the spouse’s waiver is cancelled, the spouse may receive the benefits the spouse is entitled to under the pension plan.

Despite the spouse’s waiver, the pension plan is deemed to grant the spouse a right to death benefits for the purposes of article 415 of the Civil Code of Québec.”

148. Section 85 of the Act is amended by replacing “from the midpoint of each year” in the seventh and eighth lines of the first paragraph by “, for each

year, from the midpoint of the period during which the employee would have paid contributions if the employee had been a member of this plan in the course of that year.”

149. Section 87 of the Act is amended by replacing “from the midpoint of each year” in the eighth and ninth lines of the first paragraph by “, for each year, from the midpoint of the period during which the employee would have paid contributions if the employee had been a member of this plan in the course of that year.”

150. Section 114 of the Act is amended by replacing “computed in accordance with section 96” in the next to last line of the second paragraph by “referred to in the second paragraph of section 95”.

151. Section 118 of the Act is amended

(1) by replacing “fifth” in the first line of the second paragraph by “fourth”;

(2) by replacing “third paragraph of that section” in the third and fourth lines of the second paragraph by “second paragraph of section 38”.

152. Section 125 of the Act is amended by replacing “contributions” in the first line of the fifth paragraph by “sums”.

153. Section 126 of the Act is amended by replacing “contributions” in the first line of the fourth paragraph by “sums”.

154. Section 144 of the Act is amended

(1) by inserting “of the Lieutenant-Governor,” after “staff” in the second line of the first paragraph;

(2) by replacing “from the midpoint of each year” in the seventh line of the second paragraph by “, for each year, from the midpoint of the period during which the employee would have paid contributions if the employee had been a member of this plan in the course of that year”.

155. Section 159 of the Act is amended by replacing the last five lines of the first paragraph by “service that would have been credited to the pensioner if the pensioner had been a member of the plan while holding such pensionable employment”.

156. Sections 160 and 162 of the Act are repealed.

157. Section 177 of the Act is amended by replacing “contributions or sums” in the first line of subparagraph 2 of the first paragraph by “sums”.

158. Section 195.2 of the Act, enacted by section 262 of chapter 39 of the statutes of 2004, is amended

(1) by striking out “to the consolidated revenue fund” in the fourth and fifth lines of the first paragraph;

(2) by striking out “to the consolidated revenue fund” in the fourth and fifth lines of the second paragraph.

159. Section 196 of the Act is amended

(1) by inserting the following subparagraph after subparagraph 7.1 of the first paragraph:

“(7.2) determine, for the purposes of section 79.1, the information the waiver or revocation notice must contain;”;

(2) by replacing subparagraph 24 of the first paragraph by the following subparagraph:

“(24) establish, for the purposes of section 206, the other conditions for computing the interest on contributions within the meaning of section 73;”.

160. Section 199 of the Act is amended by striking out the last sentence of the third paragraph.

161. Section 206 of the Act is replaced by the following section:

“**206.** For the purpose of computing the interest, the following conditions apply:

(1) the employee contributions within the meaning of section 73 and related to a year, except those to which subparagraphs 2 and 3 apply, are deemed to have been received at the midpoint of the period during which the employee was, during the year, a member of this plan or of another plan out of which service was transferred to this plan;

(2) in respect of the sums paid for the redemption of service credited or counted under the plan, the interest is computed from the date of their payment;

(3) in respect of the sums the employee paid into a pension plan out of which service was transferred to this plan under section 138.1, 138.7 or 203, the interest is computed from the date the sums concerned were transferred.

The other conditions for computing the interest on the contributions within the meaning of section 73 are established by regulation.”

162. Section 408 of the Act is amended by inserting “, as it read on 31 December 2006,” after “(chapter R-10)” in the second line.

163. Schedule I to the Act is amended

- (1) by striking out subparagraph 4 of paragraph 2 of Division I;
- (2) by inserting “of the Lieutenant-Governor,” after “staff” in the first line of paragraph 4 of Division I;
- (3) by inserting the following paragraph at the end of Division I:

“7.1. The employment of vice-chairman of the Société de l’assurance automobile du Québec.”

164. Schedule II to the Act is amended

- (1) by inserting “the Société de l’assurance automobile du Québec” at the end of paragraph 6;
- (2) by inserting the following paragraph after paragraph 13.1:

“13.2. THE MEMBERS OF THE STAFF OF THE LIEUTENANT-GOVERNOR, OF A MINISTER OR OF A PERSON REFERRED TO IN SECTION 124.1 OF THE ACT RESPECTING THE NATIONAL ASSEMBLY (CHAPTER A-23.1) WHO ARE ENTITLED TO REASSIGNMENT TO PENSIONABLE EMPLOYMENT UNDER THE GOVERNMENT AND PUBLIC EMPLOYEES RETIREMENT PLAN OR THE PENSION PLAN OF MANAGEMENT PERSONNEL”.

ACT RESPECTING THE COMMISSION ADMINISTRATIVE DES RÉGIMES DE RETRAITE ET D’ASSURANCES

165. Section 127 of the Act respecting the Commission administrative des régimes de retraite et d’assurances (2006, chapter 49) is amended by replacing “Schedule I” in paragraph 4 by “Schedule II”.

TRANSITIONAL AND FINAL PROVISIONS

166. The first regulations made after 21 December 2007 under section 17.2 of the Act respecting the Government and Public Employees Retirement Plan, section 14.1 of the Act respecting the Teachers Pension Plan, section 61.1 of the Act respecting the Civil Service Superannuation Plan and section 28.1 of the Act respecting the Pension Plan of Management Personnel may, if they so provide, have effect from any date not prior to 1 January 2008.

167. Sections 22 and 34.16 of the Act respecting the Pension Plan of Certain Teachers, section 72 of the Act respecting the Pension Plan of Peace Officers in Correctional Services, section 219 of the Act respecting the Government and Public Employees Retirement Plan and section 206 of the Act respecting the Pension Plan of Management Personnel, as they read before (*insert the date of coming into force of this section*), continue to apply

to applications for benefits received by the Commission administrative des régimes de retraite et d'assurances before (*insert the date of coming into force of this section*).

168. Sections 33, 36 and 74.7 of the Act respecting the Pension Plan of Peace Officers in Correctional Services, sections 59.6, 59.6.0.2 and 114.1 of the Act respecting the Government and Public Employees Retirement Plan and sections 85, 87 and 144 of the Act respecting the Pension Plan of Management Personnel, as they read on (*insert the date preceding the date of coming into force of this section*), continue to apply to applications for redemption received by the Commission administrative des régimes de retraite et d'assurances before (*insert the date of coming into force of this section*).

169. The terms of payment for the redemption of service under section 17 of the Act respecting the Pension Plan of Certain Teachers, sections 41.3 and 41.5 of the Act respecting the Pension Plan of Peace Officers in Correctional Services, sections 75 and 95 to 97 of the Act respecting the Government and Public Employees Retirement Plan, sections 28.5.8 and 28.5.10 of the Act respecting the Teachers Pension Plan, sections 99.17.3 and 99.17.5 of the Act respecting the Civil Service Superannuation Plan and section 114 of the Act respecting the Pension Plan of Management Personnel, as they read before (*insert the date of coming into force of this section*), continue to apply to applications for redemption received by the Commission administrative des régimes de retraite et d'assurances before (*insert the date of coming into force of this section*).

170. Section 147.0.1 of the Act respecting the Government and Public Employees Retirement Plan, as it read on (*insert the date preceding the date of coming into force of this section*), continues to apply until (*insert the date preceding the date that is three years after the date of coming into force of this section*) in respect of pensions accrued to persons who ceased to be members of a plan before (*insert the date of coming into force of this section*), the payment of which began before (*insert the date that is 30 months after the date of coming into force of this section*).

171. Paragraph 5 of section 2 of the Act respecting the Government and Public Employees Retirement Plan, as it read on 1 January 1991, is deemed to have applied from that date until 31 December 2000 to the members of the staff of the Lieutenant-Governor who were not entitled to assignment or reassignment to pensionable employment under the Government and Public Employees Retirement Plan.

172. Section 24.1 of the Act respecting the Pension Plan of Peace Officers in Correctional Services, as it read before 1 January 2005, is deemed to have also referred to the members of the staff of the Lieutenant-Governor from 1 January 1991 to 31 December 2004.

173. Paragraph III of Schedule I to the Act respecting the Pension Plan of Management Personnel, as it read on 1 January 2001, is deemed to have

also referred to the members of the staff of the Lieutenant-Governor from 1 January 2001 to 30 June 2002.

174. The Government and Public Employees Retirement Plan or, to the extent provided for in Chapter I of the Act respecting the Pension Plan of Management Personnel, the Pension Plan of Management Personnel applies to a member of the staff of the Lieutenant-Governor, of a minister or of a person referred to in section 124.1 of the Act respecting the National Assembly (R.S.Q., chapter A-23.1) who is not entitled to assignment or reassignment to pensionable employment under one of those plans in respect of the years or parts of a year between 31 December 1989 and 14 September 2007 during which the member contributed to one of the plans, to the extent that the member could have been subject to an order made at the member's request under paragraph 2 of section 2 of the Act respecting the Government and Public Employees Retirement Plan, paragraph 5 of section 2 of the Act respecting the Pension Plan of Management Personnel or, before 1 January 2001, paragraph 5 of section 2 of the Act respecting the Government and Public Employees Retirement Plan, as it read on 1 January 1991.

175. An employer who, during 2007, 2008 or 2009, pays a lump sum as an increase or adjustment of the pensionable salary for a previous year to an employee to whom 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 or the Pension Plan of Management Personnel is applicable, must inform the Commission administrative des régimes de retraite et d'assurances of the years in respect of which the lump sum is paid and the distribution of the amount over each of those years.

176. Despite the time limits arising from the provisions amended by sections 5, 78, 99 and 116, the application for redemption submitted by a pensioner, for whom the number of years or parts of a year of service used to compute the pension was reduced in 2007, must be received by the Commission administrative des régimes de retraite et d'assurances before 1 July 2008.

177. The provisions of the Act respecting the Government and Public Employees Retirement Plan relating to the return to work of a pensioner, the deduction of contributions payable and the establishment of a pensionable salary, as they read on 31 December 2006, continue to apply in respect of a pensioner who held pensionable employment, before 1 January 1983, under the Government and Public Employees Retirement Plan, the Teachers Pension Plan or the Civil Service Superannuation Plan for which the pensioner has not received a refund of the contributions paid for the period prior to 1 January 1983, and who

(1) again held pensionable employment on 31 December 2006 and was a member of the Government and Public Employees Retirement Plan or of the Pension Plan of Certain Teachers on that date, until the time the pensioner ceases to hold pensionable employment; or

(2) again held pensionable employment and was again a member of one of those plans between 31 December 2006 and 21 December 2007, until the time the pensioner ceases to hold pensionable employment.

However, a pensioner may elect not to resume membership in the plan by sending a notice to the Commission administrative des régimes de retraite et d'assurances. The notice must be received by the Commission within 90 days following the date the Commission sent the notice informing the pensioner of that option.

If a pensioner who again held pensionable employment on 31 December 2006 elects to no longer be a member of the plan, the pensioner's membership ends on 31 December 2006 and the benefits the pensioner is entitled to are computed in accordance with sections 119 to 121 of the Act respecting the Government and Public Employees Retirement Plan, as they read on that date.

If a pensioner who again held pensionable employment and was again a member of the plan between 31 December 2006 and 21 December 2007 elects not to resume membership in the plan after 31 December 2006, membership subsequent to that date is cancelled.

Contributions paid since 1 January 2007 by a pensioner who elects not to be a member of the plan are refunded with interest, compounded annually, at the rates determined in Schedule VI to the Act respecting the Government and Public Employees Retirement Plan until the date the pensioner's notice is received at the Commission and at the rate determined in Schedule VII to the Act from the day following that date until the date the refund is paid.

From 1 January 2007, the provisions relating to the return to work of a pensioner enacted under section 79 of this Act apply to the pensioner referred to in the third or fourth paragraph.

The pensioner may not redeem, under section 115.11 of the Act respecting the Government and Public Employees Retirement Plan, the part of a year of service for which the contributions were refunded under this section.

178. If a pensioner under the Government and Public Employees Retirement Plan or the Pension Plan of Certain Teachers to whom section 177 does not apply

(1) again held pensionable employment and was again a member of one of those plans on 31 December 2006, the pensioner's membership in the plan ceases on that date. In such a case, the benefits accrued to the pensioner at that date are established in accordance with sections 119 to 121 of the Act respecting the Government and Public Employees Retirement Plan, as they read on that date, the contributions paid by the pensioner since 1 January 2007 are refunded with interest, compounded annually, at the rate determined in Schedule VI to the Act respecting the Government and Public Employees Retirement Plan

until the date the refund is paid, and the sixth and seventh paragraphs of section 177 apply;

(2) again held pensionable employment and was again a member of one of the plans between 31 December 2006 and 21 December 2007, the pensioner's membership for 2007 is cancelled, the contributions paid by the pensioner since 1 January 2007 are refunded in accordance with paragraph 1, and the sixth and seventh paragraphs of section 177 apply.

179. The provisions of the Act respecting the Government and Public Employees Retirement Plan relating to the return to work of a pensioner, the deduction of contributions and the establishment of a pensionable salary, as they read on 31 December 2006, and the provisions of the Act respecting the Teachers Pension Plan, the Act respecting the Civil Service Superannuation Plan and the Act respecting the Pension Plan of Management Personnel relating to those same subjects, as they read on 31 December 2007, continue to apply to a pensioner under the Teachers Pension Plan or the Civil Service Superannuation Plan who, on that date, holds pensionable employment under the Government and Public Employees Retirement Plan or the Pension Plan of Management Personnel, as long as the pensioner has not ceased to hold pensionable employment.

180. A pensioner under a pension plan established under section 10 or 10.0.1 of the Act respecting the Government and Public Employees Retirement Plan who held pensionable employment under the Government and Public Employees Retirement Plan on 31 December 2006 ceases to participate in the latter plan on that date.

In such a case, the pension accrued to the pensioner under the plan is established and computed in accordance with the plan on the date the pensioner's membership ends, and the pensioner is deemed to have retired on 1 January 2007. Contributions paid by the pensioner after that date are refunded with interest, compounded annually, at the rates determined in Schedule VI to that Act until the date the refund is paid. The provisions on the return to work of a pensioner enacted under section 79 of this Act apply from 1 January 2007.

If the pensioner referred to in the first paragraph held pensionable employment under the Government and Public Employees Retirement Plan between 31 December 2006 and 21 December 2007, the pensioner's membership for 2007 is cancelled and contributions paid after 1 January 2007 are refunded under the second paragraph of this section. The provisions on the return to work of a pensioner enacted under section 79 of this Act apply from 1 January 2007.

181. A pensioner under a supplemental pension plan the funds of which were transferred to the Commission administrative des régimes de retraite et d'assurances after 31 December 2006, who held pensionable employment under the Government and Public Employees Retirement Plan on the date of

the transfer, ceases to participate in the latter plan on the day before the transfer took place.

In such a case, the pension accrued to the pensioner under the Government and Public Employees Retirement Plan is established and computed in accordance with the provisions of the plan on the date the pensioner's membership ends, and the pensioner is deemed to have retired on the date of the transfer. Contributions paid after that date are refunded with interest, compounded annually, at the rates determined in Schedule VI to the Act respecting the Government and Public Employees Retirement Plan until the date the refund is paid. The provisions on the return to work of a pensioner enacted under section 79 of this Act apply from the date the transfer takes place.

182. Not later than 31 December 2008, a transfer will be made from the contribution fund of the employees of the Government and Public Employees Retirement Plan at the Caisse de dépôt et placement du Québec to the employers' contributory fund under that plan at the Caisse of an amount determined by order and intended for the financing of part of the benefits under the responsibility of the Government resulting from the redemptions referred to in paragraph 1 of Schedule 0.1 to 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) and related to redemption proposals accepted between 1 June 2001 and 31 May 2004.

The amount to be transferred corresponds to the amount established at 31 December 2005 by the Commission and is increased by interest compounded annually at the rate for Government of Canada marketable bonds with a term of 3 to 5 years (Cansim Series V122485), computed from that date until the date the transfer takes place.

183. Paragraph 1 of section 77 and paragraph 2 of section 93 have effect from 1 January 1991.

184. Section 42, paragraph 1 of section 154 and paragraph 2 of section 164 have effect from 1 January 2001.

185. Section 131 and paragraph 2 of section 163 have effect from 1 July 2002.

186. Paragraph 1 of section 26 has effect from 1 January 2005.

187. Sections 5, 10, 12, 43, paragraph 1 of section 55, sections 65 to 67, 69, 70, 72 to 74, 78, 79, 86, 87, 92, 99, 116, 162, 176 to 178, 180 and 181 have effect from 1 January 2007.

188. Paragraph 1 of section 93, paragraph 3 of section 163 and paragraph 1 of section 164 have effect from 9 May 2007.

189. Sections 88 and 165 have effect from 1 June 2007.

190. This Act comes into force on 21 December 2007, except

(1) sections 1 to 3, 14 to 16, 18 to 22, 30, 31, 32, 44 to 46, 48 to 52, paragraphs 2 and 3 of section 55 and sections 56, 57, 95, 97, 102, 103, 108, 109, 111 to 113, 118, 122 to 124, 127, 130, 132 to 134, 136 to 139, 141 to 143, 155, 156 and 166, which come into force on 1 January 2008;

(2) sections 84 and 85, which come into force on 1 January 2009;

(3) sections 4, 6 to 9, 11, 13, 23 to 25, paragraph 2 of section 26, sections 27 to 29, 33 to 37, paragraph 2 of section 39, sections 40, 41, 53, 54, 59 to 64, 68, 71, 75, 76, paragraph 2 of section 77, sections 80, 81, paragraphs 2 to 4 of section 82, sections 83, 89 to 91, 94, 98, 100, 101, 104 to 107, 110, 115, 117, 119 to 121, 125, 126, 128, 129, 140, 144 to 153, paragraph 2 of section 154, and sections 157 to 161 and 167 to 170, which come into force on the date or dates to be set by the Government.