

Gouvernement du Québec

**T.B. 210826, 22 November 2011**

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

**Supplementary benefits plan in respect of classes  
of employees designated under section 208 of the  
Act respecting the Pension Plan of Management  
Personnel**

**— Certain provisions relating to the partition  
and assignment of benefits accrued**

Regulation respecting certain provisions relating to the partition and assignment of benefits accrued under the supplementary benefits plan in respect of classes of employees designated under section 208 of the Act respecting the Pension Plan of Management Personnel

WHEREAS, under the first paragraph of section 208 of the Act respecting the Pension Plan of Management Personnel (R.S.Q., c. R-12.1), the Government may, with respect to classes of employees designated under the first paragraph of section 23 of the Act, establish a plan that provides for supplementary benefits payable from the date of retirement and the Government may also provide in the plan for the payment of benefits to the spouses of such employees;

WHEREAS the Government made the Order in Council respecting the provisions respecting the determination of supplementary benefits in respect of certain classes of employees under section 208 of the Act respecting the Pension Plan of Management Personnel (c. R-12.1, r. 3);

WHEREAS, under the second paragraph of section 208 of the Act, it is provided that benefits accrued during marriage or a civil union under the supplementary benefits plan form part of the family patrimony established under the Civil Code and, in that respect, the Government may render all or some of the rules contained in Chapter VIII or enacted under that chapter applicable to the plan; it may also prescribe special rules governing the determination and assessment of the supplementary benefits so granted;

WHEREAS, under the fourth paragraph of section 208 of the Act, an order under the first or second paragraph may have effect 12 months or less before it is made;

WHEREAS it is expedient to render the rules provided for in Chapter VIII of the Act applicable, with the necessary modifications, to the supplementary benefits plan in

respect of certain classes of employees under section 208 of the Act respecting the Pension Plan of Management Personnel;

WHEREAS, under section 416 of the Act respecting the Pension Plan of Management Personnel, the regulations and orders made under the provisions of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., c. R-10) that are in force on 20 June 2001 are considered, for the purposes of the Act respecting the Pension Plan of Management Personnel, as the regulations and orders made under the corresponding provisions of the Act, and they apply, with the necessary modifications, until they are replaced by regulations and orders made under such corresponding provisions;

WHEREAS the Government made the Order in Council respecting the partition and assignment of benefits accrued under the supplementary benefits plan in respect of classes of employees designated under section 220.1 of the Act respecting the Government and Public Employees Retirement Plan (c. R-10, r. 6), and that Order in Council, in force on 20 June 2001, is considered, for the purposes of the Act respecting the Pension Plan of Management Personnel, as an order made under the corresponding provisions of the Act, and it applies, with the necessary modifications, until it is replaced by the regulation made under such corresponding provisions;

WHEREAS it is expedient to render the rules provided for in sections 2 and 3 of the Regulation respecting certain provisions applicable to the partition and assignment of benefits accrued under the Pension Plan of Management Personnel, made by Decision C.T. 210825 dated 22 November 2011, applicable to the supplementary benefits plan, with the necessary modifications;

WHEREAS it is expedient to make special provisions concerning the actuarial rules, assumptions and methods that apply to the assessment of benefits accrued under the supplementary benefits plan in respect of certain classes of employees under section 208 of the Act respecting the Pension Plan of Management Personnel;

WHEREAS, in accordance with section 40 of the Public Administration Act (R.S.Q., c. A-6.01), the Conseil du trésor exercises, after consulting the Minister of Finance, the powers conferred on the Government by an Act that establishes a pension plan applicable to personnel of the public and parapublic sectors, except the powers referred to in paragraphs 1 to 6 of section 40;

WHEREAS the consultation has taken place;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), a draft of the Regulation respecting certain provisions relating to the partition and assignment of benefits accrued under the supplementary benefits plan in respect of classes of employees designated under section 208 of the Act respecting the Pension Plan of Management Personnel was published in Part 2 of the *Gazette officielle du Québec* of 13 July 2011 with a notice that the Regulation could be made by the Conseil du trésor on the expiry of 45 days following that publication;

WHEREAS the 45-day period has expired and no comments on the draft Regulation were received;

WHEREAS it is expedient to make the Regulation without amendment;

THE CONSEIL DU TRÉSOR DECIDES:

THAT the Regulation respecting certain provisions relating to the partition and assignment of benefits accrued under the supplementary benefits plan in respect of classes of employees designated under section 208 of the Act respecting the Pension Plan of Management Personnel, attached to this Decision, is hereby made.

*Le greffier du Conseil du trésor,*  
GEORGES BOULET

### **Regulation respecting certain provisions relating to the partition and assignment of benefits accrued under the supplementary benefits plan in respect of classes of employees designated under section 208 of the Act respecting the Pension Plan of Management Personnel**

An Act respecting the Pension Plan of Management Personnel (R.S.Q., c. R-12.1, ss. 208 and 416)

**1.** The actuarial value of the benefits of the supplementary benefits plan in respect to classes of employees designated under section 208 of the Act respecting the Pension Plan of Management Personnel is determined according to the “distribution of benefits” method and corresponds to the sum of 75% of the actuarial value determined for a male and 25% of the actuarial value determined for a female. The actuarial value of the benefits is also determined according to the following actuarial assumptions:

(1) the mortality rates:

The mortality rates are those determined according to the CIA Standards.

(2) the interest rates:

(a) the interest rates for fully-indexed or non-indexed benefits are those determined according to the CIA Standards;

(b) the interest rates for partially-indexed benefits are determined according to the following formula:

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

The result must be adjusted according to the CIA Standards.

(3) the indexing rate:

(a) the indexing rate for a benefit fully-indexed by the rate of increase in the Pension Index is calculated in the manner described in the CIA Standards;

(b) the indexing rate for a benefit indexed by the excess of the rate of increase in the Pension Index (PI) over 3% or by half of the rate of increase in the Pension Index corresponds respectively to the excess of the indexing rate calculated in the manner provided in subparagraph a over 3% or by half the indexing rate calculated in the manner provided in that subparagraph.

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

Inflation level	Addition to the result of the PI-3% formula	Adjusted indexing rate	Addition to the result of the 50% PI, min. PI-3% formula	Adjusted indexing rate
0.5	0.1	0.1	0.05	0.3
1.0	0.1	0.1	0.10	0.6
1.5	0.3	0.3	0.15	0.9
2.0	0.5	0.5	0.20	1.2
2.5	0.7	0.7	0.15	1.4
3.0	1.0	1.0	0.20	1.7

Inflation level	Addition to the result of the PI-3% formula	Adjusted indexing rate	Addition to the result of the 50% PI, min. PI-3% formula	Adjusted indexing rate
3.5	0.8	1.3	0.25	2.0
4.0	0.6	1.6	0.30	2.3
4.5	0.5	2.0	0.45	2.7
5.0	0.4	2.4	0.50	3.0

(4) the turnover rate: Nil

(5) the disability rate: Nil

(6) the proportion of married persons at death:

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

(7) the age difference between spouses at death:

(a) the male spouse of the beneficiary is assumed to be 1 year older;

(b) the female spouse of the beneficiary is assumed to be 4 years younger.

In this section, the expression “CIA Standards” refers to the standards of practice entitled Practice-Specific Standards for Pension Plans—3800 Pension Commuted Values of the Canadian Institute of Actuaries, effective since 1 February 2005 and periodically revised.

**2.** Where the Commission administrative des régimes de retraite et d’assurances makes the payment of sums awarded to the spouse as a result of the partition or assignment of benefits accrued under the supplementary benefits plan, interest compounded annually and accrued from the date of assessment to the date of payment must be added to the sums awarded to the spouse at the rate in Schedule VIII to the Act, in effect at the date of assessment. Where that date is prior to 1 July 2002, the applicable interest rate is 5.34%.

**3.** For the purposes of sections 14 and 15 of Schedule I to the Order in Council respecting the partition and assignment of benefits accrued under the supplementary benefits plan in respect of classes of employees designated under section 220.1 of the Act respecting the Government and Public Employees Retirement Plan (c. R-10, r. 6), as it applies to the Pension Plan of Management Personnel, the amount of pension that would be obtained on the basis of the sums awarded to the spouse at the date of assessment is established at that date according to the actuarial method and assumptions that were used for the assessment of benefits accrued.

In addition, for the purposes of those sections 14 and 15, a reference to section 5 of Schedule I to that Order in Council must be read as a reference to section 1 of this Regulation if the benefits were assessed in accordance with section 1 of this Regulation.

**4.** For the purposes of the Act respecting the Pension Plan of Management Personnel, sections 5 and 10 of Schedule I to the Order in Council respecting the partition and assignment of benefits accrued under the supplementary benefits plan in respect of classes of employees designated under section 220.1 of the Act respecting the Government and Public Employees Retirement Plan are revoked. Despite the foregoing, section 5 remains in force in the situations referred to in the first paragraph of section 3 of this Regulation.

**5.** This Regulation comes into force on the first day of the month that follows by at least 15 days the date of its publication in the *Gazette officielle du Québec*. However, sections 1, 3, and 4 take effect on 1 January 2011.

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