

Draft Regulations

Draft Regulation

Supplemental Pension Plans Act
(chapter R-15.1)

Pension plans of the municipal and university sectors — Funding — Amendment

Notice is hereby given, in accordance with sections 10, 11 and 12 of the Regulations Act (chapter R-18.1), that the Regulation to amend the Regulation respecting the funding of pension plans of the municipal and university sectors, appearing below, may be made by the Government on the expiry of 15 days following this publication.

The purpose of the draft Regulation is to exclude the stabilization contributions paid by a plan member from the rule whereby member contributions not be used to pay more than 50% of the value of the benefit to which the member is entitled. It specifies, however, that those contributions must be taken into account where a member makes amortization payments.

The draft Regulation provides that a report on an actuarial valuation taking into account the stabilization contributions paid by a member and sent to Retraite Québec before the date on which the Regulation is published may be revised or replaced provided the pension committee sends Retraite Québec, within the time period set out by regulation, a report whose purpose is to exclude those contributions. In the case of a report on an actuarial valuation further to restructuring, the Regulation provides that the parties must make a request to the pension committee if they wish to revise or replace the report. It also provides that the Regulation has effect from 8 June 2016 with regard to actuarial valuations.

Under section 12 of the Regulations Act, the draft Regulation can be approved at the expiry of a shorter period than the 45-day period provided for under section 11 of that Act. The Government is of the opinion that the shorter delay is warranted due to the urgency caused by the fact that the report on the actuarial valuation as at 31 December 2016, which is required for any plan to which Chapter X of the Supplemental Pension Plans Act applies, must be submitted to Retraite Québec no later than 30 September 2017.

The draft Regulation does not have a negative impact on businesses, particularly on small businesses.

Further information may be obtained from Mr. Benoit Saucier, Retraite Québec, Place de la Cité, 2600, boulevard Laurier, Québec (Québec) G1V 4T3 (telephone: 418 643-8282; fax: 418 643-7421; email: benoit.saucier@retraitequebec.gouv.qc.ca).

Any person wishing to comment on the draft Regulation is asked to send his or her comments in writing before the expiry of the 15-day period mentioned above to Mr. Michel Després, President and Chief Executive Office of Retraite Québec, Place de la Cité, 2600, boulevard Laurier, 5^e étage, Québec (Québec) G1V 4T3. Comments will be forwarded by Retraite Québec to the Minister of Finance, who is responsible for the application of the Supplemental Pension Plans Act.

CARLOS LEITÃO,
Minister of Finance

Regulation to amend the Regulation respecting the funding of pension plans of the municipal and university sectors

Supplemental Pension Plans Act
(chapter R-15.1, s. 2, 2nd and 3rd pars.)

1. The Regulation respecting the funding of pension plans of the municipal and university sectors (chapter R-15.1, r. 2) is amended by replacing section 6.1 with the following:

“**6.1.** For the purposes of the first paragraph of section 60 of the Act, the member contributions are those paid in accordance with section 38 of the Act as it read before 1 January 2016.

For the purposes of the second paragraph of section 60 of the Act, the member contributions paid by a member include the stabilization contributions the member has paid.”

2. The Regulation is amended by adding after section 59 the following:

“**60.** The report on an actuarial valuation that takes into account the stabilization contributions paid by a member pursuant to the first paragraph of section 60 of the Act and that was sent to Retraite Québec before (*insert the date of publication of this Regulation under section 8 of the*

Regulations Act (chapter R-18.1)) may, for the sole purpose of excluding those contributions in accordance with the first paragraph of section 6.1, be revised or replaced in accordance with the second paragraph of section 120 of the Act, provided the pension committee sends to Retraite Québec the report so revised or the replacement report no later than (insert the date following by 180 days the date of coming into force of this Regulation).

For the purpose of the first paragraph, the report on the actuarial valuation referred to in section 51 of the Act to foster the financial health and sustainability of municipal defined benefit pension plans (chapter S-2.1.1) or in section 66 of the Act respecting the restructuring of university-sector defined benefit pension plans (chapter R-26.2.1) can only be revised or replaced if the parties referred to in Chapter IV of the Act to foster the financial health and sustainability of municipal defined benefit pension plans or in Chapter V of the Act respecting the restructuring of university-sector defined benefit pension plans, as applicable, have made a written request to that effect to the pension committee or, in the case referred to in section 61 of the latter act, if the authority that has the power to make amendments to the pension plan has made a request to the pension committee.

The provisions of the first paragraph do not apply to a report on an actuarial valuation referred to in sections 4, 16 and 60 of the Act to foster the financial health and sustainability of municipal defined benefit pension plans or in section 4 of the Act respecting the restructuring of university-sector defined benefit pension plans.”.

3. This Regulation comes into force on *(insert the fifteenth day following the date this Regulation is published in the Gazette officielle du Québec)*. However, with regard to actuarial valuations, section 1 has effect from 8 June 2016.