



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-EIGHTH LEGISLATURE

Bill 86

**An Act to amend the Act respecting the
Government and Public Employees
Retirement Plan and other legislation
concerning pension plans in the public
sector**

Introduction

**Introduced by
Madam Monique Jérôme-Forget
Minister responsible for Government Administration
and Chair of the Conseil du trésor**

**Québec Official Publisher
2008**

EXPLANATORY NOTES

This bill is in response to recommendations made by the retirement committees of the pension plans of public sector employees and to various consultations.

Under the bill, the method of computing the average pensionable salary used to determine the amount of the benefits will be modified, starting in 2010. Thus, a lump sum paid in a year will be distributed among the years for which it is computed, rather than be considered only for the year during which it is paid. In addition, the bill remedies certain discrepancies in the annualization of salaries caused by possible variations in the terms of payment of the salaries from one employer to the next, thereby ensuring that the annualized salary corresponds more closely to the annual basic salary.

The bill also includes technical and consequential amendments.

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 to amend various legislative provisions concerning pension plans in the public sector (2007, chapter 43).

Bill 86

AN ACT TO AMEND THE ACT RESPECTING THE GOVERNMENT AND PUBLIC EMPLOYEES RETIREMENT PLAN AND OTHER LEGISLATION CONCERNING PENSION PLANS IN THE PUBLIC SECTOR

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

ACT RESPECTING THE GOVERNMENT AND PUBLIC EMPLOYEES
RETIREMENT PLAN

1. Section 3 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10), amended by section 43 of chapter 43 of the statutes of 2007, is again amended

(1) by adding the following sentence at the end of the second paragraph: “When such an employee holds employment for which the basis of remuneration is 200 days, the employee is also deemed to hold pensionable employment until the end of the employment contract if the contract ends on 30 June of any year.”;

(2) by adding the following paragraph at the end:

“The Government shall identify by regulation the classes of employees who hold pensionable employment for which the basis of remuneration is 200 days.”

2. Section 18.1 of the Act, amended by section 49 of chapter 43 of the statutes of 2007, is again amended by inserting “for the pensionable employment held by the employee” after “remuneration” in the last line of subparagraph 1 and the last line of subparagraph 2 of the second paragraph.

3. The heading of Division II.1 of Chapter II of Title I of the Act, enacted by section 52 of chapter 43 of the statutes of 2007, is amended by replacing “whose” by “holding pensionable employment for which the”.

4. Section 23.1 of the Act, enacted by section 52 of chapter 43 of the statutes of 2007, is amended

(1) by replacing “whose” in the first line of the first paragraph by “holding pensionable employment for which the”;

(2) by replacing “a person” in the first line of the last paragraph by “an employee”.

5. Section 23.3 of the Act, enacted by section 52 of chapter 43 of the statutes of 2007, is amended

(1) by striking out “credited” in the next to last line of the first paragraph and in the last line of the second paragraph;

(2) by replacing “s’appliquent” in the first line of the second paragraph in the French text by “s’applique”.

6. Section 34 of the Act is amended

(1) by inserting a comma after “teacher” in the first line and by striking out “, within the meaning of that plan,” in the next to last line;

(2) by adding the following paragraph at the end:

“For the purposes of the plan, a school year is

(1) in the case of a school board, the period from 1 July of one year to 30 June of the following year; and

(2) in all other cases, the twelve-month period generally recognized by the body in the employment contract.”

7. The heading of subdivision 2 of Division I of Chapter IV of Title I of the Act is amended by adding “*of an employee who ceases to participate in the plan before 1 January 2010*” at the end.

8. The Act is amended by inserting the following after the heading of subdivision 2 of Division I of Chapter IV of Title I:

“34.1. In respect of an employee who ceases to participate in the plan before 1 January 2010, subdivisions 2 and 3 of Division I of Chapter IV of Title I, sections 54, 59.1, 73.3 and 109.2, and, if the employee dies before 1 January 2010, section 43 apply as they read on the date on which the employee ceases to participate in the plan.

“§2.1. — *Computation of the pension of an employee who ceases to participate in the plan after 31 December 2009*

“I — *General provisions*

“34.2. The annual amount of the pension of an employee who ceases to participate in the plan after 31 December 2009 is equal, on the date on which the employee ceases to participate, to the total of the following amounts:

(1) the amount obtained by multiplying the average pensionable salary established under this subdivision, on the basis of annualized pensionable salaries that do not take into account the limit imposed by the first paragraph of section 18.1, by 2% per year of service credited before 1 January 1992; and

(2) the amount obtained by multiplying the average pensionable salary established under this subdivision, on the basis of annualized pensionable salaries that take into account the limit imposed by the first paragraph of section 18.1, by 2% per year of service credited after 31 December 1991.

For the purposes of the first paragraph, the employee's years of credited service taken into account must not exceed 35.

“34.3. The average pensionable salaries referred to in subparagraphs 1 and 2 of the first paragraph of section 34.2 are obtained by performing, in order, the following operations:

(1) selecting, from among the highest annualized pensionable salaries, as many as are necessary to make the aggregate of the contributory periods corresponding to the years for which the salaries are selected equal to 5 or, if the aggregate is less than 5, selecting all the salaries;

(2) multiplying each salary so selected for each year by the corresponding contributory period; and

(3) dividing the sum of the salaries resulting from the multiplication by the sum of the corresponding contributory periods.”

9. Sections 35 to 36.0.1 of the Act are repealed.

10. The Act is amended by inserting the following before section 36.2:

“II — Annualization of salaries and determination of contributory periods for the years of service prior to 2010

“1. Annualized pensionable salary

“36.1.1. For the purposes of section 34.3, the annualization of salaries for the years of service prior to 2010 is obtained,

(1) when computing the average pensionable salary referred to in subparagraph 1 of the first paragraph of section 34.2, by dividing the pensionable salary for such a year by the service credited, except service credited under section 74; and

(2) when computing the average pensionable salary referred to in subparagraph 2 of the first paragraph of section 34.2, by dividing the

pensionable salary for such a year by the service credited, except service credited under section 74. The limit imposed by the first paragraph of section 18.1 applies to the result obtained for each year.

The pensionable salary for each year, referred to in subparagraphs 1 and 2 of the first paragraph, is the pensionable salary established under sections 14 to 18. Despite sections 14.1 and 16, the pensionable salary paid in 2008 or 2009 for which no service is credited forms part of the pensionable salary for the last year during which service is credited and which is prior to the year during which the pensionable salary is paid.

However, if a lump sum included in the pensionable salary established under the second paragraph is paid in 2007 or a subsequent year as an increase in or adjustment to the salary for a previous year, it must be subtracted from the pensionable salary for the year during which it is paid. In addition, a lump sum attributed to a given year under section 36.1.20 must be added to the pensionable salary for that year.

For the purposes of the first paragraph, all the years and parts of a year of service credited must be counted, but service credited under sections 22, 85.1 and 221.1 may not be counted in respect of service credited before 1 January 1992.

“36.1.2. For the purposes of the first paragraph of section 36.1.1, the aggregate of any lump sum paid as an increase in or adjustment to the pensionable salary for a previous year and any amount paid during the year in which the employee ceases to participate in the plan and pertaining to pensionable salary for the days and parts of a day credited to the employee for the last days of the previous year is excluded from the pensionable salary established under the second and third paragraphs of section 36.1.1.

The amount referred to in the first paragraph is to be added to the results obtained under the first paragraph of section 36.1.1. However, for the purposes of subparagraph 2 of the first paragraph of that section, the amount is added before the application of the limit imposed by section 18.1.

For the years and parts of a year of service credited after 31 December 1989, the amount referred to in the first paragraph is either the amount by which the pensionable salary of the employee established under the second and third paragraphs of section 36.1.1 exceeds the annual basic salary paid to the employee or that would have been paid to the employee under the conditions of employment applicable on the last credited day of the year, multiplied by the service credited to the employee during the year, or, if the employee simultaneously holds more than one pensionable employment under the plan during a year, the amount by which the employee’s pensionable salary exceeds the total annual basic salary for each employment multiplied by the credited service attached to each employment in accordance with sections 18 and 20 or 20.1 or 20.2. For the years prior to 2008, if the total service credited is reduced under section 20, the employee is deemed to hold only one employment and the annual basic salary for that employment is the salary

attached to the employment held for a proportionally greater number of days in the year or, if such employments were held for proportionally the same number of days, the salary attached to the highest paid employment.

The service credited under section 74 and, for 1990 and 1991, the service credited under section 22 must not be counted for the purposes of the third paragraph.

“36.1.3. For the purposes of paragraph 2 of section 34.3, an annualized pensionable salary resulting from the application of subparagraph 1 of the first paragraph of section 36.1.1 and selected under paragraph 1 of section 34.3 must be reduced by the amount that was added to it under section 36.1.2. That amount must then be added to the result of the multiplication referred to in paragraph 2 of section 34.3.

For the purposes of paragraph 2 of section 34.3, an annualized pensionable salary resulting from the application of subparagraph 2 of the first paragraph of section 36.1.1 and selected under paragraph 1 of section 34.3 must be reduced, if applicable, by the amount that was added under section 36.1.2 after applying the limit imposed by the first paragraph of section 18.1. That amount must then be added to the result of the multiplication referred to in paragraph 2 of section 34.3.

“2. Contributory periods

“36.1.4. For the purposes of sections 34.3, 39 and the sections that refer to section 39, a contributory period is, for each year, the number of contributory days in the period during which the employee participated in the plan in a year or in the period during which days and parts of a day were otherwise credited to the employee with contributions, within the meaning of section 50, except the days and parts of a day determined by regulation, over the number of contributory days in the year concerned, that is, 200 or 260 depending on the basis of remuneration for the employment. The contributory period of a new employee for the year during which the employee becomes a member of the plan begins on the first day in respect of which the employee contributed or was exempt from contributions and the last period ends on the last day credited in the year during which the employee ceases to participate in the plan.

“3. Credited service derived from another plan

“36.1.5. Subject to section 143.12 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2), for the purpose of determining the average pensionable salary, the pensionable salary, the basic salary and the contributory periods must be determined according to the years and parts of a year of service credited to the employee under a pension plan referred to in section 4 of the Act respecting the Commission administrative des régimes de retraite et d’assurances (2006, chapter 49) and the basis of remuneration for the employment concerned for

each of those years, that is, 200 or 260 days. The same rule applies for the purposes of section 39, and of section 43 to the extent that it refers to section 39.

However, the annualized pensionable salary and the contributory periods for the years and parts of a year of service credited under this plan on an actuarially equivalent basis pursuant to Division III.3 of Chapter VI of Title I or under a transfer agreement entered into under section 158, section 133 of the Act respecting the Pension Plan of Peace Officers in Correctional Services or section 203 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1) are excluded from the average pensionable salary, as are the contributory periods for any previous years and parts of a year.

“III — Annualization of salaries and determination of contributory periods for the years of service subsequent to 2009

“1. Annualized pensionable salary

“36.1.6. For the purposes of section 34.3, the annualization of salaries for the years of service subsequent to 2009 is obtained,

(1) when computing the average pensionable salary referred to in subparagraph 1 of the first paragraph of section 34.2, by dividing the aggregate of the adjusted pensionable salary for such a year and the lump sum attributed to that year under section 36.1.20 by the harmonized service for the year; and

(2) when computing the average pensionable salary referred to in subparagraph 2 of the first paragraph of section 34.2, by dividing the aggregate of the adjusted pensionable salary for such a year and the lump sum attributed to that year under section 36.1.20 by the harmonized service for the year. The limit imposed by the first paragraph of section 18.1 applies to the result obtained for each year.

“2. Adjusted pensionable salary

“36.1.7. The adjusted pensionable salary for a year, used to compute the annualized pensionable salary of an employee who holds pensionable employment under the plan for which the basis of remuneration is 260 days, is the pensionable salary established under sections 14 to 17.2, multiplied by the daily factor applicable to that salary for the class of employees to which the employee belongs and divided by the number of contributory days included in the pensionable salary reference period for the year determined under section 23.1.

However, if a lump sum included in the pensionable salary is paid during a year as an increase in or adjustment to the pensionable salary for a previous

year, it must be subtracted from the pensionable salary for the year during which it is paid.

An adjusted pensionable salary is also computed for an employee to whom section 14.1 applies for the year for which no service is credited to the employee.

The daily factor referred to in the first paragraph makes it possible to convert the annual basic salary into a daily salary, on the basis of the conditions of employment applicable to the employee. The Government may, by regulation, establish the daily factor, which may vary with the class of employees and the terms of payment of the employees' salary.

“36.1.8. The adjusted pensionable salary for a calendar year, used to compute the annualized pensionable salary of an employee who holds pensionable employment under the plan for which the basis of remuneration is 200 days, is based on the school calendars for the period during which the employee participated in the plan during the two parts of a school year in the calendar year. The school calendar is the distribution of the 200 contributory days of a school year over two calendar years, based on the conditions of employment applicable to the employee.

The adjusted pensionable salary is determined using the following formula:

$$\left[\left[\frac{T \times N}{200} \right] \times P \right] - A$$

(1) T is the basic salary the employee would have been entitled to receive if the employee had held the employment referred to in the first paragraph full time during the period referred to in that paragraph, based on the conditions of employment applicable to the employee. The basic salary does not include the lump sum paid subsequently as an increase in or adjustment to the basic salary for that year;

(2) N is the number of contributory days in the period referred to in the first paragraph;

(3) P is the percentage of working time related to employment referred to in the first paragraph held during the period referred to in that paragraph; and

(4) A, for an employee who, while holding employment referred to in the first paragraph, was absent without pay during the period referred to in that paragraph, is the basic salary that employee would have received in that employment during the period of absence if the period was not otherwise credited under the plan.

P is obtained by carrying out, in order, the following operations:

- (1) adding, for the period referred to in the first paragraph, the number of contributory days and parts of a day credited to the employee in keeping with the school calendars and the number of contributory days and parts of a day during which the employee was absent without pay while holding the employment referred to in that paragraph if the contributory days and parts of a day were not otherwise credited under the plan; and
- (2) dividing the result of the addition by N.

For the purposes of subparagraph 1 of the third paragraph, the number of contributory days and parts of a day credited to the employee in keeping with the school calendars is the total 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 under the plan, for the period referred to in the first paragraph. The days and parts of a day are rounded to the fourth decimal.

The Government may, by regulation, determine the method for establishing the annual basic salary for certain employees whose conditions of employment offer a mode of remuneration that is not established with reference to such a salary.

“36.1.9. In the case of employees who hold pensionable employment for which the basis of remuneration is 260 days, the pensionable salary paid by a body designated in Schedule II.1 to an employee released with pay for union activities during a year, or the portion of the pensionable salary paid by such a body to an employee released without pay that exceeds the pensionable salary the employer would have paid if the employee had not been so released, must be subtracted, for the purpose of computing the adjusted pensionable salary for the year, from the pensionable salary established under sections 14 to 17.2. The pensionable salary or that portion of pensionable salary paid to the employee by the body is deemed to be, for the purpose of computing the annualized pensionable salary for the year, a lump sum attributed to the year under section 36.1.20.

In the case of employees who hold pensionable employment for which the basis of remuneration is 200 days, the basic salary paid by a body designated in Schedule II.1 to an employee released with pay for union activities during the period referred to in the first paragraph of section 36.1.8, or the portion of the basic salary paid by such a body to an employee released without pay that exceeds the basic salary the employer would have paid if the employee had not been so released, is deemed to be, for the purpose of computing the annualized pensionable salary, a lump sum attributed to the year under section 36.1.20.

“36.1.10. The adjusted pensionable salary of an employee to whom section 36.1.11 does not apply and who simultaneously holds more than one

pensionable employment under the plan in a year is the aggregate of the adjusted pensionable salaries computed under sections 36.1.7 or 36.1.8 and 36.1.9 for each employment 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 held by the employee is reduced under section 20, the adjusted pensionable salary of the employee is equal to the total of the following amounts:

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

(2) the adjusted 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 such employment.

“36.1.11. An employee who simultaneously holds more than one pensionable employment under the plan with the same employer is deemed to hold only one pensionable employment for the purpose of computing the adjusted pensionable salary if the basis of remuneration for the employments is the same for a given year and the pensionable salary reference periods or school calendars relating to those employments are identical.

“36.1.12. In the case referred to in the first paragraph of section 20.1, the adjusted pensionable salary attached to pensionable employment under the plan is the adjusted pensionable salary computed under sections 36.1.7 or 36.1.8 and 36.1.9, multiplied by the credited service established under the first paragraph of section 20.1 and divided by the service established in accordance with sections 19 and 20.

In the case referred to in the first or second paragraph of section 20.2, the adjusted pensionable salary attached to pensionable employment under the plan is the adjusted pensionable salary computed under sections 36.1.7 or 36.1.8 and 36.1.9, multiplied by the credited service established under the first or second paragraph of section 20.2 and divided by the service established in accordance with sections 19 and 20.

“3. Harmonized service of employees who hold pensionable employment for which the basis of remuneration is 200 days

“36.1.13. Harmonized service is computed for an employee who holds pensionable employment for which the basis of remuneration is 200 days in order to reconcile the adjusted pensionable salary for the calendar year computed under sections 36.1.8 and 36.1.9 with the number of contributory days and parts of a day credited to the employee in keeping with the school calendars included in the period during which the employee participated in the plan during the two parts of a school year in that calendar year.

Harmonized service is established by dividing by 200 the number of contributory days and parts of a day credited to the employee in keeping with the school calendars established in accordance with the fourth paragraph of section 36.1.8.

“4. Harmonized service of employees who hold more than one pensionable employment

“36.1.14. For the purposes of this subdivision, the harmonized service of an employee to whom section 36.1.15 does not apply and who simultaneously holds more than one pensionable employment under the plan in a year is the aggregate of the harmonized service established for each employment under section 23.1 or 36.1.13, if the total service credited in respect of such employments does not exceed one year.

If the total service credited in respect of the pensionable employments held by the employee is reduced under section 20, harmonized service 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.

“36.1.15. For the purposes of this subdivision, an employee who simultaneously holds more than one pensionable employment under the plan with the same employer is deemed to hold only one pensionable employment for the purpose of computing harmonized service if, for a given year, the basis of remuneration for the employments is the same and the pensionable salary reference periods or school calendars relating to those employments are identical.

“36.1.16. For the purposes of this subdivision, in the case referred to in the first paragraph of section 20.1, the harmonized service in respect of a pensionable employment under the plan is the harmonized service established under section 23.1 or 36.1.13, multiplied by the credited service established under the first paragraph of section 20.1 and divided by the service established in accordance with sections 19 and 20.

In the case referred to in the first or second paragraph of section 20.2, the harmonized service attached to pensionable employment under the plan is the harmonized service established under section 23.1 or 36.1.13, multiplied by the credited service established under the first or second paragraph of section 20.2 and divided by the service established in accordance with sections 19 and 20.

“5. Contributory periods

“36.1.17. For the purposes of sections 34.3, 39 and the sections that refer to section 39, the contributory period of an employee who during a year

holds pensionable employment under the plan for which the basis of remuneration is 260 days is determined by dividing by 260 the number of contributory days comprised in the period during which the employee participated in the plan or comprised in the period for which days and parts of a day were otherwise credited to the employee with contributions for that year under the plan, within the meaning of section 50, except the days and parts of a day determined by regulation, during the pensionable salary reference period for the year established in accordance with section 23.1.

The contributory period of an employee who during a year holds pensionable employment under the plan for which the basis of remuneration is 200 days is determined by dividing by 200 the number of contributory days in the school calendars included in the period during which the employee participated in the plan during the two parts of a school year included in a calendar year or in the period for which days and parts of a day were otherwise credited to the employee with contributions, for that year, within the meaning of section 50, except the days and parts of a day determined by regulation.

The contributory period of a new employee for the year during which the employee becomes a member of the plan begins on the first day in respect of which the employee contributed or was exempt from contributions and the last period ends on the last day credited in the year during which the employee ceases to participate in the plan.

In the case of an employee to whom section 14.1 applies and who holds pensionable employment for which the basis of remuneration is 260 days, a contributory period that corresponds to the pensionable salary for the year for which no service is credited is also determined by dividing by 260 the number of contributory days referred to in the first paragraph that correspond to that salary.

“36.1.18. The Government may, by regulation, determine the method of establishing the contributory period of an employee who simultaneously holds more than one pensionable employment in a year.

“6. Credited service derived from another plan

“36.1.19. For the purpose of determining the average pensionable salary, when the years and parts of a year of service credited to an employee under a pension plan referred to in section 4 of the Act respecting the Commission administrative des régimes de retraite et d’assurances (2006, chapter 49) are credited under this plan, the basic salary, the pensionable salary and the credited service established under the first plan and the data related to the employee’s membership in that plan and reported by the employer under section 188 for each credited year or part of a year apply to this plan in order to establish the annualized pensionable salary and the contributory periods for those years and parts of a year credited under this plan, subject to section 143.12 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2).

For the purposes of this subdivision, the sections to which it refers, and section 3.1 when that section is required for the application of this subdivision, pensionable employment under a plan referred to in section 4 of the Act respecting the Commission administrative des régimes de retraite et d'assurances for which service was credited under this plan is deemed to be pensionable employment under this plan.

Despite the first paragraph, the annualized pensionable salary and the contributory periods for the years and parts of a year of service credited under this plan on an actuarially equivalent basis pursuant to Division III.3 of Chapter VI of Title I or under a transfer agreement entered into under section 158, section 133 of the Act respecting the Pension Plan of Peace Officers in Correctional Services or section 203 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1) are excluded from the computation of the average pensionable salary, as are the contributory periods for any previous years and parts of a year.

“IV — Miscellaneous provisions

“36.1.20. A lump sum paid as an increase in or adjustment to the pensionable salary for a previous year and included in the pensionable salary established under sections 14 to 18 for the year during which the lump sum is paid must be distributed among the years for which the lump sum is paid if it is paid after 31 December 2006.

If the pensionable salary is reduced under the second paragraph of section 18, the part of the lump sum included in the pensionable salary is distributed for each year concerned in the proportion obtained by dividing the part of the lump sum referred to in section 16 and attributed to a given year by the lump sum referred to in that section.”

11. Section 36.2 of the Act is repealed.

12. Section 37 of the Act is amended by replacing “35” by “34.2”.

13. Section 39.1 of the Act is amended by replacing “subdivision 2” in the first line by “subdivisions 2 and 2.1”.

14. Section 85.5.3 of the Act is amended by inserting the following sentence after the first sentence: “However, for the purposes of a pension, for years subsequent to 2009, the annualized pensionable salary for the years covered by the agreement is the salary that would have been determined for the employee if the employee had not availed himself of this division.”

15. Section 85.5.4 of the Act is amended by inserting “the annualized pensionable salary,” after “pensionable salary,” in the second line of the first paragraph.

16. Section 93 of the Act, amended by section 74 of chapter 43 of the statutes of 2007, is replaced by the following section:

“93. If the date on which the pension credit becomes payable is subsequent to the date of the employee’s sixty-fifth birthday, the pension credit is increased by 0.75% per month, computed for each month between the date on which the employee reaches 65 years of age, if the employee was under 65 years of age at the time of purchase, or the date of purchase, if the employee was 65 years of age or over at the time of purchase, and the date on which pension credit is payable to the employee.

However, if the beneficiary comes to be contemplated in the second paragraph of section 153 or in section 154 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1) pursuant to section 3.2 of this Act, the pension credit is increased by 0.75% per month, computed for each month comprised in the period during which pension credit is not paid after 65 years of age.”

17. Section 100 of the Act is amended by striking out “to 97” in the fifth line of the first paragraph.

18. Section 104 of the Act is amended by striking out “to 97” in the third line of the first paragraph.

19. Section 109.2 of the Act is amended by replacing “35” in the last line of the second paragraph by “34.2”.

20. Section 115.5.1 of the Act is amended by replacing “97” in the last line by “95”.

21. Section 134 of the Act, amended by section 82 of chapter 43 of the statutes of 2007, is again amended

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

“(0.1) identify, for the purposes of section 3, the classes of employees who hold pensionable employment under the plan for which the basis of remuneration is 200 days;”;

(2) by replacing “section 36” in subparagraph 6 of the first paragraph by “sections 36.1.4 and 36.1.17”;

(3) by inserting the following subparagraphs after subparagraph 6 of the first paragraph:

“(6.1) determine, for the purposes of section 36.1.7, the daily factor, which may vary with the class of employees and the terms of payment of the salary that apply;

“(6.2) determine, for the purposes of section 36.1.8, the method of establishing the annual basic salary of certain employees whose conditions of employment offer a mode of remuneration that is not established with reference to such a salary;

“(6.3) determine, for the purposes of section 36.1.18, the method of establishing the contributory period of an employee who simultaneously holds more than one pensionable employment under the plan in a year;”;

(4) by inserting “annualized pensionable salary,” after “salary,” in the third line of subparagraph 11.2 of the first paragraph.

22. Section 147.0.5 of the Act is amended by replacing “third” in the first line by “second”.

23. Section 153 of the Act is amended by replacing “by reason of an increase or adjustment of the pensionable salary” in the first and second lines by “as a result of the payment of a lump sum made as an increase in or adjustment to the salary for a previous year”.

24. Section 195 of the Act is amended

(1) by inserting “, for the years before 2010,” after “in the agreement is” in the second line;

(2) by inserting the following sentence after the first sentence: “For the years subsequent to 2009, the annualized pensionable salary for the years contemplated in the agreement is the salary that would have been determined for the person had the person not agreed to receive only a part of the salary.”

25. Section 203 of the Act is amended by inserting “the following sections as they read on the dates on which they were applied before 1 January 2010:” after “with” in the third line of subparagraph 2 of the first paragraph.

26. Section 212 of the Act is amended

(1) by inserting “, for the years before 2010,” after “person” in the second line;

(2) by adding the following sentences at the end: “For the years subsequent to 2009, the person’s annualized pensionable salary is the salary that would have been determined for the person if the person had not been placed on reserve. A year of service is credited to the person in respect of each of the years the person is placed on reserve.”

27. Section 215.13 of the Act is amended by inserting “annualized pensionable salary,” after “pensionable salary,” in the first line of subparagraph 1 of the first paragraph.

28. Section 234 of the Act is amended

(1) by inserting “as they read before 1 January 2010” after “39” in the first line of the first paragraph;

(2) by replacing “has ceased his duties, retired or died after that date” at the end of the first paragraph by “ceased his duties, retired or died after that date but before 1 January 2010”;

(3) by inserting “but before 1 January 2010” after “1983” in the second line of the second paragraph;

(4) by replacing “has been granted to the employee before that date” at the end of the second paragraph by “was granted to the employee before 30 June 1983”.

ACT RESPECTING THE PENSION PLAN OF CERTAIN TEACHERS

29. Section 4 of the Act respecting the Pension Plan of Certain Teachers (R.S.Q., chapter R-9.1) is amended

(1) by adding the following sentence at the end of the second paragraph: “When a person holds employment for which the basis of remuneration is 200 days, the person is also deemed to hold pensionable employment until the end of the employment contract if the contract ends on 30 June of any year.”;

(2) by adding the following paragraph at the end:

“The Government shall identify by regulation the categories of persons who hold pensionable employment for which the basis of remuneration is 200 days.”

30. Section 19 of the Act is amended by replacing “35” in the first line of the first paragraph by “34.1”.

31. Section 22 of the Act, amended by section 6 of chapter 43 of the statutes of 2007, is again amended by replacing “used in computing the pension” in the last line of the first paragraph by “, which is the total of the following amounts:

(1) 70% of the average pensionable salary used to compute the pension for the years and parts of a year of service credited before 1992 multiplied by the number of years and parts of a year of service credited before 1992 over the total number of years and parts of a year of service credited; and

(2) 70% of the average pensionable salary used to compute the pension for the years and parts of a year of service credited after 1991 multiplied by the number of years and parts of a year of service credited after 1991 over the total number of years and parts of a year of service credited.”

32. Section 23 of the Act is amended

(1) by replacing “35” in the fifth line of the first paragraph by “34.2”;

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

“However, when the employee ceases to participate in the plan before 1 January 2010, the amount of the pension that must be multiplied by 0.25% under the first paragraph must be determined under subparagraph 2 of the first paragraph of section 35 of the Act respecting the Government and Public Employees Retirement Plan as it reads on the date the employee ceases to participate in the plan.”

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

“(1.0.1) identify, for the purposes of section 4, the categories of persons who hold pensionable employment for which the basis of remuneration is 200 days;”.

ACT RESPECTING THE PENSION PLAN OF PEACE OFFICERS
IN CORRECTIONAL SERVICES

34. Section 7 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (R.S.Q., chapter R-9.2) is amended

(1) by adding the following sentence at the end of the second paragraph: “When an employee holds employment for which the basis of remuneration is 200 days, the employee is also deemed to hold pensionable employment until the end of the employment contract if the contract ends on 30 June of any year.”;

(2) by adding the following paragraph at the end:

“The Government shall identify by regulation the classes of employees who hold pensionable employment for which the basis of remuneration is 200 days.”

35. Section 14.1 of the Act, amended by section 19 of chapter 43 of the statutes of 2007, is again amended by inserting “for the pensionable employment held by the employee” after “remuneration” in the last line of each of subparagraphs 1 and 2 of the second paragraph.

36. The heading of Division II.1 of Chapter II of the Act, enacted by section 22 of chapter 43 of the statutes of 2007, is amended by replacing “whose” by “holding pensionable employment for which the”.

37. Section 27.1 of the Act, enacted by section 22 of chapter 43 of the statutes of 2007, is amended

(1) by replacing “whose” in the first line of the first paragraph by “holding pensionable employment for which the”;

(2) by replacing “a person” in the first line of the last paragraph by “an employee”.

38. The heading of subdivision 2 of Division I of Chapter IV of the Act is amended by adding “*of an employee who ceases to participate in the plan before 1 January 2010*” at the end.

39. The Act is amended by inserting the following after the heading of subdivision 2 of Division I of Chapter IV:

“44.1. In respect of an employee who ceases to participate in the plan before 1 January 2010, subdivisions 2 and 2.1 of Division I of Chapter IV and sections 56.1, 125.5 and, if the employee dies before 1 January 2010, sections 56, 57, 59 and 102 apply as they read on the date on which the employee ceases to participate in the plan.

“§2.0.1. — Computation of the pension of an employee who ceases to participate in the plan after 31 December 2009

“I — General provisions

“44.2. The annual amount of the pension of an employee who ceases to participate in the plan after 31 December 2009 is equal, on the date on which the employee ceases to participate, to the total of the following amounts:

(1) the amount obtained by multiplying the average pensionable salary established under this subdivision, on the basis of annualized pensionable salaries that do not take into account the limit imposed by the first paragraph of section 14.1, by 2.1875% per year of service credited before 1 January 1992; and

(2) the amount obtained by multiplying the average pensionable salary established under this subdivision, on the basis of annualized pensionable salaries that take into account the limit imposed by the first paragraph of section 14.1, by 2% per year of service credited after 31 December 1991.

“44.3. If the employee is under 65 years of age, the annual amount of pension is increased by an amount equal to 0.1875% of the employee’s average pensionable salary computed under paragraph 2 of section 44.2 for each year of service credited after 31 December 1991.

“44.4. The average pensionable salaries referred to in paragraphs 1 and 2 of section 44.2 are obtained by performing, in order, the following operations:

(1) selecting, from among the highest annualized pensionable salaries, as many as are necessary to make the aggregate of the contributory periods corresponding to the years for which the salaries are selected equal to 5 or, if the aggregate is less than 5, selecting all the salaries;

(2) multiplying each salary so selected for each year by the corresponding contributory period; and

(3) dividing the sum of the salaries resulting from the multiplication by the sum of the corresponding contributory periods.”

40. Sections 45 to 46.1 of the Act are repealed.

41. The Act is amended by inserting the following before section 48:

“II — *Annualization of salaries and determination of contributory periods for the years of service prior to 2010*

“1. *Annualized pensionable salary*

“**47.1.** For the purposes of section 44.4, the annualization of salaries for the years of service prior to 2010 is obtained,

(1) when computing the average pensionable salary referred to in paragraph 1 of section 44.2, by dividing the pensionable salary for such a year by the service credited, except service credited under section 98; and

(2) when computing the average pensionable salary referred to in paragraph 2 of section 44.2, by dividing the pensionable salary for such a year by the service credited, except service credited under section 98. The limit imposed by the first paragraph of section 14.1 applies to the result obtained for each year.

The pensionable salary for each year, referred to in subparagraphs 1 and 2 of the first paragraph, is the pensionable salary established under sections 9 to 14. Despite sections 9.1 and 11, the pensionable salary paid in 2008 or 2009 for which no service is credited forms part of the pensionable salary for the last year during which service is credited and which is prior to the year during which the pensionable salary is paid.

However, if a lump sum included in the pensionable salary established under the second paragraph is paid in 2007 or a subsequent year as an increase in or adjustment to the salary for a previous year, it must be subtracted from the pensionable salary for the year during which it is paid. In addition, a lump sum attributed to a given year under section 47.18 must be added to the pensionable salary for that year.

For the purposes of the first paragraph, all the years and parts of a year of service credited must be counted, but service credited under sections 21, 39 and 40 may not be counted in respect of service credited before 1 January 1992.

“47.2. For the purposes of the first paragraph of section 47.1, the aggregate of any lump sum paid as an increase in or adjustment to the pensionable salary for a previous year and any amount paid during the year in which the employee ceases to participate in the plan and pertaining to the pensionable salary for the days and parts of a day credited to the employee for the last days of the previous year is excluded from the pensionable salary established under the second and third paragraphs of section 47.1.

The amount referred to in the first paragraph is to be added to the results obtained under the first paragraph of section 47.1. However, for the purposes of subparagraph 2 of the first paragraph of that section, the amount is added before the application of the limit imposed by section 14.1.

For the years and parts of a year of service credited after 31 December 1989, the amount referred to in the first paragraph is either the amount by which the pensionable salary of the employee determined under the second and third paragraphs of section 47.1 exceeds the annual basic salary paid to the employee or that would have been paid to the employee under the conditions of employment applicable on the last credited day of the year, multiplied by the service credited to the employee during the year, or, if the employee simultaneously holds more than one pensionable employment under the plan during a year, the amount by which the employee’s pensionable salary exceeds the total annual basic salary for each employment multiplied by the credited service attached to each employment in accordance with sections 14 and 16. For the years prior to 2005, if the total service credited is reduced under section 16, the employee is deemed to hold only one employment and the annual basic salary for that employment is the salary attached to the employment held for a proportionally greater number of days in the year or, if such employments were held for proportionally the same number of days, the salary attached to the highest paid employment.

The service credited under section 98 and, for 1990 and 1991, the service credited under sections 21 and 39 must not be counted for the purposes of the third paragraph.

“47.3. For the purposes of paragraph 2 of section 44.4, an annualized pensionable salary resulting from the application of subparagraph 1 of the first paragraph of section 47.1 and selected under paragraph 1 of section 44.4 must be reduced by the amount that was added to it under section 47.2. That amount must then be added to the result of the multiplication referred to in paragraph 2 of section 44.4.

For the purposes of paragraph 2 of section 44.4, an annualized pensionable salary resulting from the application of subparagraph 2 of the first paragraph of section 47.1 and selected under paragraph 1 of section 44.4 must be

reduced, if applicable, by the amount that was added to it under section 47.2 after applying the limit imposed by the first paragraph of section 14.1. That amount must then be added to the result of the multiplication referred to in paragraph 2 of section 44.4.

“2. Contributory periods

“47.4. For the purposes of sections 44.4, 51 and the sections that refer to section 51, a contributory period is, for each year, the number of contributory days in the period during which the employee was a member of the plan in a year or in the period during which days and parts of a day were otherwise credited to the employee with contributions, within the meaning of section 71, except the days and parts of a day determined by regulation, over the number of contributory days in the year concerned, that is, 200 or 260, depending on the basis of remuneration for the employment. The contributory period of a new employee for the year during which the employee becomes a member of the plan begins on the first day in respect of which the employee contributed or was exempt from contributions and the last period ends on the last day credited in the year during which the employee ceases to participate in the plan.

“3. Credited service derived from another plan

“47.5. Subject to section 143.12, for the purpose of determining the average pensionable salary, the pensionable salary, the basic salary and the contributory periods must be determined according to the years and parts of a year of service credited to the employee under a pension plan referred to in section 4 of the Act respecting the Commission administrative des régimes de retraite et d’assurances (2006, chapter 49) and the basis of remuneration for the employment concerned for each of those years, that is, 200 or 260 days. The same rule applies for the purposes of section 51, and sections 56, 59 and 102 to the extent that they refer to section 51.

However, the annualized pensionable salary and the contributory periods for the years and parts of a year of service credited under this plan on an actuarially equivalent basis pursuant to subdivision 4 of Division IV of Chapter II or under a transfer agreement entered into under section 133, section 158 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) or section 203 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1) are excluded from the average pensionable salary, as are the contributory periods for any previous years and parts of a year.

“III — Annualization of salaries and determination of contributory periods for the years of service subsequent to 2009

“1. Annualized pensionable salary

“47.6. For the purposes of section 44.4, the annualization of salaries for the years of service subsequent to 2009 is obtained,

(1) when computing the average pensionable salary referred to in subparagraph 1 of the first paragraph of section 44.2, by dividing the aggregate of the adjusted pensionable salary for such a year and the lump sum attributed to that year under section 47.18 by the harmonized service for the year; and

(2) when computing the average pensionable salary referred to in subparagraph 2 of the first paragraph of section 44.2, by dividing the aggregate of the adjusted pensionable salary for such a year and the lump sum attributed to that year under section 47.18 by the harmonized service for the year. The limit imposed by the first paragraph of section 14.1 applies to the result obtained for each year.

“2. Adjusted pensionable salary

“47.7. The adjusted pensionable salary for a year, used to compute the annualized pensionable salary of an employee who holds pensionable employment under the plan for which the basis of remuneration is 260 days, is the pensionable salary established under sections 9 to 13, multiplied by the daily factor applicable to that salary for the class of employees to which the employee belongs and divided by the number of contributory days included in the pensionable salary reference period for the year determined under section 27.1.

However, if a lump sum included in the pensionable salary is paid during the year as an increase in or adjustment to the pensionable salary for a previous year, it must be subtracted from the pensionable salary for the year during which it is paid.

An adjusted pensionable salary is also computed for an employee to whom section 9.1 applies for the year for which no service is credited to the employee.

The daily factor referred to in the first paragraph makes it possible to convert the annual basic salary into a daily salary, on the basis of the conditions of employment applicable to the employee. The Government may, by regulation, establish the daily factor, which may vary with the class of employees and the terms of payment of the employees' salary.

“47.8. The adjusted pensionable salary for a calendar year, used to compute the annualized pensionable salary of an employee who holds pensionable employment under the plan for which the basis of remuneration is 200 days, is based on the school calendars for the period during which the employee was a member of the plan during the two parts of a school year in the calendar year. The school calendar is the distribution of the 200 contributory

days of a school year over two calendar years, based on the conditions of employment applicable to the employee. A school year is the period from 1 July of one year to 30 June of the following year.

The adjusted pensionable salary is determined using the following formula:

$$\left[\left[\frac{T \times N}{200} \right] \times P \right] - A$$

(1) T is the basic salary the employee would have been entitled to receive if the employee had held the employment referred to in the first paragraph full time during the period referred to in that paragraph, based on the conditions of employment applicable to the employee. The basic salary does not include the lump sum paid subsequently as an increase in or adjustment to the basic salary for that year;

(2) N is the number of contributory days in the period referred to in the first paragraph;

(3) P is the percentage of working time related to employment referred to in the first paragraph held during the period referred to in that paragraph; and

(4) A, for an employee who, while holding employment referred to in the first paragraph, was absent without pay during the period referred to in that paragraph, is the basic salary that employee would have received in that employment during the period of absence if the period was not otherwise credited under the plan.

P is obtained by carrying out, in order, the following operations:

(1) adding, for the period referred to in the first paragraph, the number of contributory days and parts of a day credited to the employee in keeping with the school calendars and the number of contributory days and parts of a day during which the employee was absent without pay while holding the employment referred to in that paragraph if the contributory days and parts of a day were not otherwise credited under the plan; and

(2) dividing the result of the addition by N.

For the purposes of subparagraph 1 of the third paragraph, the number of contributory days and parts of a day credited to the employee in keeping with the school calendars is the total 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 under the plan, for the period referred to in the first paragraph. The days and parts of a day are rounded to the fourth decimal.

The Government may, by regulation, determine the method for establishing the annual basic salary for certain employees whose conditions of employment offer a mode of remuneration that is not established with reference to such a salary.

“47.9. In the case of employees who hold pensionable employment for which the basis of remuneration is 260 days, the pensionable salary paid by the Syndicat des agents de la paix en services correctionnels to an employee released for union activities during a year, must be subtracted, for the purpose of computing the adjusted pensionable salary for the year, from the pensionable salary established under sections 9 to 13. The pensionable salary paid to the employee by the Syndicat is deemed to be, for the purpose of computing the annualized pensionable salary for that year, a lump sum attributed to the year under section 47.18.

“47.10. The adjusted pensionable salary of an employee to whom section 47.11 does not apply and who simultaneously holds more than one pensionable employment under the plan in a year is the aggregate of the adjusted pensionable salaries computed under sections 47.7 or 47.8 and 47.9 for each employment 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 held by the employee is reduced under section 16, the adjusted pensionable salary of the employee is equal to the total of the following amounts:

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

(2) the adjusted 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 such employment.

“47.11. An employee who simultaneously holds more than one pensionable employment under the plan with the same employer is deemed to hold only one pensionable employment for the purpose of computing the adjusted pensionable salary if the basis of remuneration for the employments is the same for a given year and the pensionable salary reference periods or school calendars relating to those employments are identical.

“3. Harmonized service of employees who hold pensionable employment for which the basis of remuneration is 200 days

“47.12. Harmonized service is computed for an employee who holds pensionable employment under the plan for which the basis of remuneration is 200 days in order to reconcile the adjusted pensionable salary for the calendar year computed under sections 47.8 and 47.9 with the number of contributory days and parts of a day credited to the employee in keeping with the school calendars included in the period during which the employee was a

member of the plan during the two parts of a school year in that calendar year.

Harmonized service is established by dividing by 200 the number of contributory days and parts of a day credited to the employee in keeping with the school calendars established in accordance with the fourth paragraph of section 47.8.

“4. Harmonized service of employees who hold more than one pensionable employment

“47.13. For the purposes of this subdivision, the harmonized service of an employee to whom section 47.14 does not apply and who simultaneously holds more than one pensionable employment under the plan in a year is the aggregate of the harmonized service established for each employment under section 27.1 or 47.12, 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 held by the employee is reduced under section 16, harmonized service 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.

“47.14. For the purposes of this subdivision, an employee who simultaneously holds more than one pensionable employment under the plan with the same employer is deemed to hold only one pensionable employment for the purpose of computing harmonized service if the basis of remuneration for the employments is the same for a given year and the pensionable salary reference periods or school calendars relating to those employments are identical.

“5. Contributory periods

“47.15. For the purposes of sections 44.4, 51 and the sections that refer to section 51, the contributory period of an employee who during a year holds pensionable employment under the plan for which the basis of remuneration is 260 days is determined by dividing by 260 the number of contributory days comprised in the period during which the employee was a member of the plan or comprised in the period for which days and parts of a day were otherwise credited to the employee with contributions for that year under the plan, within the meaning of section 71, except the days and parts of a day determined by regulation, during the pensionable salary reference period for the year established in accordance with section 27.1.

The contributory period of an employee who during a year holds pensionable employment under the plan for which the basis of remuneration is 200 days is determined by dividing by 200 the number of contributory days in the school calendars included in the period during which the employee was a member of the plan during the two parts of a school year included in a calendar year or in the period for which days and parts of a day were otherwise credited to the employee with contributions, for that year, within the meaning of section 71, except the days and parts of a day determined by regulation.

The contributory period of a new employee for the year during which the employee becomes a member of the plan begins on the first day in respect of which the employee contributed or was exempt from contributions and the last period ends on the last day credited in the year during which the employee ceases to participate in the plan.

In the case of an employee to whom section 9.1 applies and who holds pensionable employment for which the basis of remuneration is 260 days, a contributory period that corresponds to the pensionable salary for the year for which no service is credited is also determined by dividing by 260 the number of contributory days referred to in the first paragraph that correspond to that salary.

“47.16. The Government may, by regulation, determine the method of establishing the contributory period of an employee who simultaneously holds more than one pensionable employment in a year.

“6. Credited service derived from another plan

“47.17. For the purpose of determining the average pensionable salary, when the years and parts of a year of service credited to an employee under a pension plan referred to in section 4 of the Act respecting the Commission administrative des régimes de retraite et d’assurances (2006, chapter 49) are credited under this plan, the basic salary, the pensionable salary and the credited service established under the first plan and the data related to the employee’s membership in that plan and reported by the employer under section 188 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) for each credited year or part of a year apply to this plan in order to establish the annualized pensionable salary and the contributory periods for those years and parts of a year credited under this plan, subject to section 143.12 of this Act.

For the purposes of this subdivision, the sections to which it refers, and sections 7 and 8 when those sections are required for the application of this subdivision, pensionable employment under a plan referred to in section 4 of the Act respecting the Commission administrative des régimes de retraite et

d'assurances for which service was credited under this plan is deemed to be pensionable employment under this plan.

Despite the first paragraph, the annualized pensionable salary and the contributory periods for the years and parts of a year of service credited under this plan on an actuarially equivalent basis pursuant to subdivision 4 of Division IV of Chapter II or under a transfer agreement entered into under section 133, section 158 of the Act respecting the Government and Public Employees Retirement Plan or section 203 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1) are excluded from the computation of the average pensionable salary, as are the contributory periods for any previous years and parts of a year.

“IV — Miscellaneous provisions

“47.18. A lump sum paid as an increase in or adjustment to the pensionable salary for a previous year and included in the pensionable salary established under sections 9 to 14 for the year during which the lump sum is paid must be distributed among the years for which the lump sum is paid if it is paid after 31 December 2006.

If the pensionable salary is reduced under the second paragraph of section 14, the part of the lump sum included in the pensionable salary is distributed for each year concerned in the proportion obtained by dividing the part of the lump sum referred to in section 11 and attributed to a given year by the lump sum referred to in that section.”

42. Section 48 of the Act is repealed.

43. Section 49 of the Act is amended by replacing “45” in the first line by “44.2”.

44. Section 51 of the Act is amended by replacing “45.1” in subparagraph *b* of subparagraph 2 of the first paragraph by “44.3”.

45. Section 52.1 of the Act is amended by replacing “subdivision 2” in the first line by “subdivisions 2 and 2.0.1”.

46. Section 56.1 of the Act is amended by replacing “45.1” in the last line of the first paragraph by “44.3”.

47. Section 57 of the Act is amended by replacing “46 to 48” in the last line of the first paragraph by “44.4 to 47.18”.

48. Section 89 of the Act is amended by replacing “determined in accordance with the first paragraph of section 46” in the third line of the second paragraph by “referred to in paragraph 1 of section 44.2”.

49. Section 102 of the Act is amended by replacing “45” in the second line of the third paragraph by “44.2”.

50. Section 130 of the Act, amended by section 39 of chapter 43 of the statutes of 2007, is again amended

(1) by inserting the following paragraph after paragraph 1:

“(1.1) identify, for the purposes of section 7, the classes of employees who hold pensionable employment for which the basis of remuneration is 200 days;”;

(2) by replacing “section 46” in paragraph 5 by “sections 47.4 and 47.15”;

(3) by inserting the following paragraphs after paragraph 5:

“(5.1) determine, for the purposes of section 47.7, the daily factor, which may vary with the class of employees and the terms of payment of the salary that apply;

“(5.2) determine, for the purposes of section 47.8, the method of establishing the annual basic salary of certain employees whose conditions of employment offer a mode of remuneration that is not established with reference to an annual basic salary;

“(5.3) determine, for the purposes of section 47.16, the method of establishing the contributory period of an employee who simultaneously holds more than one pensionable employment under the plan in a year;”.

51. Section 139.1 of the Act, enacted by section 40 of chapter 43 of the statutes of 2007, is amended by inserting “to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” after “Schedule VI” in the second line of the second paragraph.

52. Section 139.2 of the Act, enacted by section 40 of chapter 43 of the statutes of 2007, is amended by inserting “to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” after “Schedule VI” in the second line of the second paragraph.

ACT RESPECTING THE TEACHERS PENSION PLAN

53. Section 2.1 of the Act respecting the Teachers Pension Plan (R.S.Q., chapter R-11) is amended

(1) by adding the following sentence at the end of the second paragraph: “When such a teacher holds employment for which the basis of remuneration is 200 days, the teacher is also deemed to hold pensionable employment until the end of the contract of employment if the contract ends on 30 June of any year.”;

(2) by adding the following paragraph at the end:

“The Government shall identify by regulation the classes of teachers who hold pensionable employment for which the basis of remuneration is 200 days.”

54. Section 15 of the Act is amended by replacing “35.0.1” in the first line of the last paragraph by “35.1.2”.

55. Section 15.1 of the Act is amended by replacing “35.0.1” in the second line of subparagraph 1 of the second paragraph, the last line of subparagraph 2 of the second paragraph and the second line of the third paragraph by “35.1.2”.

56. Section 28.5.3 of the Act is amended by inserting the following sentence after the first sentence: “However, for the purposes of a pension, for years subsequent to 2009, the annualized pensionable salary for the years covered by the agreement is the salary that would have been determined for the teacher if the teacher had not availed himself of this division.”

57. Section 28.5.4 of the Act is amended by inserting “the annualized pensionable salary,” after “the pensionable salary,” in the second line of the first paragraph.

58. The heading of subdivision 2 of Division I of Chapter IV of the Act is amended by replacing “*pension*” by “*the pension of a teacher who ceases to participate in the plan before 1 January 2010*”.

59. The Act is amended by inserting the following after the heading of subdivision 2 of Division I of Chapter IV:

“33.1. In respect of a teacher who ceases to participate in the plan before 1 January 2010, subdivisions 2 and 2.1 of Division I of Chapter IV, sections 15, 15.1, 65 and 72.5 and, if the teacher dies before 1 January 2010, sections 44, 45, 45.1 and 47 apply as they read on the date on which the teacher ceases to participate in the plan.

“§2.0.1. — *Computation of the pension of a teacher who ceases to participate in the plan after 31 December 2009*

“I — *General provisions*

“33.2. The annual amount of the pension of a teacher who ceases to participate in the plan after 31 December 2009 is equal, on the date on which the teacher ceases to participate in the plan, to the total of the following amounts:

(1) the amount obtained by multiplying the average pensionable salary established under this subdivision, on the basis of annualized pensionable

salaries that do not take into account the limit imposed by the first paragraph of section 15.1, by 2% per year of service credited before 1 January 1992; and

(2) the amount obtained by multiplying the average pensionable salary established under this subdivision, on the basis of annualized pensionable salaries that take into account the limit imposed by the first paragraph of section 15.1, by 2% per year of service credited after 31 December 1991.

For the purposes of the first paragraph, the teacher's years of credited service taken into account must not exceed 35.

“33.3. The average pensionable salaries referred to in subparagraphs 1 and 2 of the first paragraph of section 33.2 are obtained by performing, in order, the following operations:

(1) selecting, from among the highest annualized pensionable salaries, as many as are necessary to make the aggregate of the contributory periods corresponding to the years for which the salaries are selected equal to 5 or, if the aggregate is less than 5, selecting all the salaries;

(2) multiplying each salary so selected for each year by the corresponding contributory period; and

(3) dividing the sum of the salaries resulting from the multiplication by the sum of the corresponding contributory periods.”

60. Sections 34 to 35.0.1 of the Act are repealed.

61. The Act is amended by inserting the following before section 35.2:

“II — Annualization of salaries and determination of contributory periods for the years of service prior to 2010

“1. Annualized pensionable salary

“35.1.1. For the purposes of section 33.3, the annualization of salaries for the years of service prior to 2010 are obtained,

(1) when computing the average pensionable salary referred to in subparagraph 1 of the first paragraph of section 33.2, by dividing the pensionable salary for such a year by the service credited, except service credited under section 62; and

(2) when computing the average pensionable salary referred to in subparagraph 2 of the first paragraph of section 33.2, by dividing the pensionable salary for such a year by the service credited, except service credited under section 62. The limit imposed by the first paragraph of section 15.1 applies to the result obtained for each year.

The pensionable salary for each year, referred to in subparagraphs 1 and 2 of the first paragraph, is the pensionable salary established under sections 11 to 15.

However, if a lump sum included in the pensionable salary established under the second paragraph is paid in 2007 or a subsequent year as an increase in or adjustment to the salary for a previous year, it must be subtracted from the pensionable salary for the year during which it is paid. In addition, a lump sum attributed to a given year under section 35.1.20 must be added to the pensionable salary for that year.

For the purposes of the first paragraph, all the years and parts of a year of service credited must be counted, but service credited under sections 19, 28.1 and 76.2 may not be counted in respect of service credited before 1 January 1992.

“35.1.2. For the purposes of the first paragraph of section 35.1.1, the aggregate of any lump sum paid as an increase in or adjustment to the pensionable salary for a previous year and any amount paid during the year in which the teacher ceases to participate in the plan and pertaining to pensionable salary for the days and parts of a day credited to the teacher for the last days of the previous year is excluded from the pensionable salary established under the second and third paragraphs of section 35.1.1.

The amount referred to in the first paragraph is to be added to the results obtained under the first paragraph of section 35.1.1. However, for the purposes of subparagraph 2 of the first paragraph of that section, the amount is added before the application of the limit imposed by section 15.1.

For the years and parts of a year of service credited after 31 December 1989, the amount referred to in the first paragraph is either the amount by which the pensionable salary of the teacher established under the second and third paragraphs of section 35.1.1 exceeds the annual basic salary paid to the teacher or that would have been paid to the teacher under the conditions of employment applicable on the last credited day of the year, multiplied by the service credited to the teacher during the year, or, if the teacher simultaneously holds more than one pensionable employment under the plan during a year, the amount by which the teacher’s pensionable salary exceeds the total annual basic salary for each employment multiplied by the credited service attached to each employment.

The service credited under section 62 and, for 1990 and 1991, the service credited under section 19 must not be counted for the purposes of the third paragraph.

“35.1.3. For the purposes of paragraph 2 of section 33.3, an annualized pensionable salary resulting from the application of subparagraph 1 of the first paragraph of section 35.1.1 and selected under paragraph 1 of section 33.3 must be reduced by the amount that was added to it under section 35.1.2. That

amount must then be added to the result of the multiplication referred to in paragraph 2 of section 33.3.

For the purposes of paragraph 2 of section 33.3, an annualized pensionable salary resulting from the application of subparagraph 2 of the first paragraph of section 35.1.1 and selected under paragraph 1 of section 33.3 must be reduced, if applicable, by the amount that was added under section 35.1.2 after applying the limit imposed by the first paragraph of section 15.1. That amount must then be added to the result of the multiplication referred to in paragraph 2 of section 33.3.

“2. Contributory periods

“35.1.4. For the purposes of sections 33.3, 38 and the sections that refer to section 38, a contributory period is, for each year, the number of contributory days in the period during which the teacher participated in the plan in a year or in the period during which days and parts of a day were otherwise credited to the teacher with contributions, except the days and parts of a day determined by regulation, over the number of contributory days in the year concerned, that is, 200 or 260 depending on the basis of remuneration for the employment. The contributory period of a new teacher for the year during which the teacher becomes a member of the plan begins on the first day in respect of which the teacher contributed or was exempt from contributions and the last period ends on the last day credited in the year during which the teacher ceases to participate in the plan.

“3. Credited service derived from another plan

“35.1.5. For the purpose of determining the average pensionable salary, the pensionable salary, the basic salary and the contributory periods must be determined according to the years and parts of a year of service credited to the teacher under the Civil Service Superannuation Plan or the Pension Plan of Peace Officers in Correctional Services and the basis of remuneration for the employment concerned for each of those years, that is, 200 or 260 days. The same rule applies for the purposes of section 38 and the sections that refer to section 38.

However, the pensionable salary and the contributory periods for the years and parts of a year of service credited under this plan on an actuarially equivalent basis are excluded from the average pensionable salary, as are the contributory periods for any previous years and parts of a year.

“III — Annualization of salaries and determination of contributory periods for the years of service subsequent to 2009

“1. Annualized pensionable salary

“35.1.6. For the purposes of section 33.3, the annualization of salaries for the years of service subsequent to 2009 are obtained,

(1) when computing the average pensionable salary referred to in subparagraph 1 of the first paragraph of section 33.2, by dividing the aggregate of the adjusted pensionable salary for such a year and the lump sum attributed to that year under section 35.1.20 by the harmonized service for the year; and

(2) when computing the average pensionable salary referred to in subparagraph 2 of the first paragraph of section 33.2, by dividing the aggregate of the adjusted pensionable salary for such a year and the lump sum attributed to that year under section 35.1.20 by the harmonized service for the year. The limit imposed by the first paragraph of section 15.1 applies to the result obtained for each year.

“2. Adjusted pensionable salary

“35.1.7. The adjusted pensionable salary for a year, used to compute the annualized pensionable salary of a teacher who holds pensionable employment under the plan for which the basis of remuneration is 260 days, is the pensionable salary established under sections 11 to 14.1, multiplied by the daily factor applicable to that salary for the class of teachers to which the teacher belongs and divided by the number of contributory days included in the pensionable salary reference period for the year determined under section 35.1.13.

However, if a lump sum included in the pensionable salary is paid during the year as an increase in or adjustment to the pensionable salary for a previous year, it must be subtracted from the pensionable salary for the year during which it is paid.

The daily factor referred to in the first paragraph makes it possible to convert the annual basic salary into a daily salary, on the basis of the conditions of employment applicable to the teacher. The Government may, by regulation, establish the daily factor, which may vary with the class of teachers and the terms of payment of the teachers’ salary.

“35.1.8. For the purposes of this subdivision, when the pensionable salary of a teacher who holds pensionable employment for which the basis of remuneration is 260 days and who ceases to participate in the plan at the end of a year is attached to service credited for the last days of participation 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. An adjusted pensionable salary is also computed for the teacher for that year.

“35.1.9. The adjusted pensionable salary for a calendar year, used to compute the annualized pensionable salary of a teacher who holds pensionable employment under the plan for which the basis of remuneration is 200 days, is based on the school calendars for the period during which the teacher

participated in the plan during the two parts of a school year in the calendar year. The school calendar is the distribution of the 200 contributory days of a school year over two calendar years, based on the conditions of employment applicable to the teacher.

The adjusted pensionable salary is determined using the following formula:

$$\left[\left[\frac{T \times N}{200} \right] \times P \right] - A$$

(1) T is the basic salary the teacher would have been entitled to receive if the teacher had held the employment referred to in the first paragraph full time during the period referred to in that paragraph, based on the conditions of employment applicable to the teacher. The basic salary does not include the lump sum paid subsequently as an increase in or adjustment to the basic salary for that year;

(2) N is the number of contributory days in the period referred to in the first paragraph;

(3) P is the percentage of working time related to employment referred to in the first paragraph held during the period referred to in that paragraph; and

(4) A, for a teacher who, while holding employment referred to in the first paragraph, was absent without pay during the period referred to in that paragraph, is the basic salary that teacher would have received in that employment during the period of absence if the period was not otherwise credited under the plan.

P is obtained by carrying out, in order, the following operations:

(1) adding, for the period referred to in the first paragraph, the number of contributory days and parts of a day credited to the teacher in keeping with the school calendars and the number of contributory days and parts of a day during which the teacher was absent without pay while holding the employment referred to in that paragraph if the contributory days and parts of a day were not otherwise credited under the plan; and

(2) dividing the result of the addition by N.

For the purposes of subparagraph 1 of the third paragraph, the number of contributory days and parts of a day credited to the teacher in keeping with the school calendars is the total number of days and parts of a day for which the teacher contributed or was exempt from contributions and the number of days and parts of a day otherwise credited to the teacher under the plan, for the period referred to in the first paragraph. The days and parts of a day are rounded to the fourth decimal.

The Government may, by regulation, determine the method for establishing the annual basic salary for certain teachers whose conditions of employment offer a mode of remuneration that is not established with reference to such a salary.

“35.1.10. In the case of teachers who hold pensionable employment for which the basis of remuneration is 260 days, the pensionable salary paid by a body designated in Schedule II.1 to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) to a teacher released with pay for union activities during a year must be subtracted, for the purpose of computing the adjusted pensionable salary for the year, from the pensionable salary established under sections 11 to 14.1. The pensionable salary paid to the teacher by the body is deemed to be, for the purpose of computing the annualized pensionable salary for the year, a lump sum attributed to the year under section 35.1.20.

In the case of teachers who hold pensionable employment for which the basis of remuneration is 200 days, the basic salary paid by a body designated in Schedule II.1 to the Act respecting the Government and Public Employees Retirement Plan to a teacher released with pay for union activities during the period referred to in the first paragraph of section 35.1.9 is deemed to be, for the purpose of computing the annualized pensionable salary, a lump sum attributed to the year under section 35.1.20.

“35.1.11. The adjusted pensionable salary of a teacher to whom section 35.1.12 does not apply and who simultaneously holds more than one pensionable employment under the plan in a year is the aggregate of the adjusted pensionable salaries computed under sections 35.1.7 to 35.1.10 for each employment 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 held by the teacher is reduced under section 17, the adjusted pensionable salary is equal to the total of the adjusted pensionable salaries for the employments the teacher holds but may not exceed the adjusted pensionable salary attached to the employment held for a proportionately greater number of days or, if such employments were held for proportionately the same number of days, the adjusted pensionable salary attached to the employment with the highest annual basic salary. The adjusted pensionable salary for that employment is multiplied by the harmonized service attached to the employments, established under the second paragraph of section 35.1.15, over the teacher’s harmonized service in respect of the employment selected, computed under section 35.1.13 or 35.1.14.

“35.1.12. A teacher who simultaneously holds more than one pensionable employment under the plan with the same employer is deemed to hold only one employment for the purpose of computing the adjusted pensionable salary if the basis of remuneration for the employments is the same for a

given year and the pensionable salary reference periods or school calendars relating to those employments are identical.

“3. Harmonized service of teachers

“35.1.13. Harmonized service is computed for a teacher who holds pensionable employment for which the 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 teacher 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.

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

The pensionable salary reference period for a year, for teachers 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 teacher referred to in section 35.1.8 for the pensionable salary for the year for which no service is credited.

“35.1.14. Harmonized service is computed for a teacher who holds pensionable employment for which the basis of remuneration is 200 days in order to reconcile the adjusted pensionable salary for the calendar year computed under sections 35.1.9 and 35.1.10 with the number of contributory days and parts of a day credited to the teacher in keeping with the school calendars included in the period during which the teacher participated in the plan during the two parts of a school year in that calendar year.

Harmonized service is established by dividing by 200 the number of contributory days and parts of a day credited to the teacher in keeping with the school calendars established in accordance with the fourth paragraph of section 35.1.9.

“4. Harmonized service of teachers who hold more than one pensionable employment

“35.1.15. For the purposes of this subdivision, the harmonized service of a teacher to whom section 35.1.16 does not apply and who simultaneously holds more than one pensionable employment under the plan in a year is the

aggregate of the harmonized service established for each employment under section 35.1.13 or 35.1.14, 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 held by the teacher is reduced under section 17, the harmonized service is the harmonized service that would have been computed under section 35.1.13 or 35.1.14 if the teacher had held the employment selected under the second paragraph of section 35.1.11 full time during the period in which the teacher participated in the plan.

“35.1.16. For the purposes of this subdivision, a teacher who simultaneously holds more than one pensionable employment under the plan with the same employer is deemed to hold only one pensionable employment for the purpose of computing harmonized service if, for a given year, the basis of remuneration for the employments is the same and the pensionable salary reference periods or school calendars relating to those employments are identical.

“5. Contributory periods

“35.1.17. For the purposes of sections 33.3, 38 and the sections that refer to section 38, the contributory period of a teacher who during a year holds pensionable employment under the plan for which the basis of remuneration is 260 days is determined by dividing by 260 the number of contributory days comprised in the period during which the teacher participated in the plan or comprised in the period for which days and parts of a day were otherwise credited to the teacher with contributions for that year under the plan, except the days and parts of a day determined by regulation, during the pensionable salary reference period for the year established in accordance with section 35.1.13.

The contributory period of a teacher who during a year holds pensionable employment under the plan for which the basis of remuneration is 200 days is determined by dividing by 200 the number of contributory days under the school calendars included in the period during which the teacher participated in the plan during the two parts of a school year included in a calendar year or in the period for which days and parts of a day were otherwise credited to the teacher with contributions for that year, except the days and parts of a day determined by regulation.

The contributory period of a new teacher for the year during which the teacher becomes a member of the plan begins on the first day in respect of which the teacher contributed or was exempt from contributions and the last period ends on the last day credited in the year during which the teacher ceases to participate in the plan.

In the case of a teacher to whom section 35.1.8 applies, a contributory period that corresponds to the pensionable salary for the year for which no

service is credited is also determined by dividing by 260 the number of contributory days referred to in the first paragraph that correspond to that salary.

“35.1.18. The Government may, by regulation, determine the method of establishing the contributory period of a teacher who simultaneously holds more than one pensionable employment in a year.

“6. Credited service derived from another plan

“35.1.19. For the purpose of determining the average pensionable salary, when the years and parts of a year of service credited to a teacher under the Pension Plan of Peace Officers in Correctional Services or the Civil Service Superannuation Plan are credited under this plan, the basic salary, the pensionable salary and the credited service established under that plan and the data related to the teacher’s participation in that plan and reported by the employer under section 188 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) for each credited year or part of a year apply to this plan in order to establish the annualized pensionable salary and the contributory periods for those years and parts of a year credited under this plan.

For the purposes of this subdivision, the sections to which it refers, and section 2.2 when that section is required for the application of this subdivision, the pensionable employment under the Pension Plan of Peace Officers in Correctional Services or the Civil Service Superannuation Plan for which service was credited under this plan is deemed to be pensionable employment under this plan.

Despite the first paragraph, the annualized pensionable salary and the contributory periods for the years and parts of a year of service credited under this plan on an actuarially equivalent basis are excluded from the computation of the average pensionable salary, as are the contributory periods for any previous years and parts of a year.

“IV — Miscellaneous provisions

“35.1.20. A lump sum paid as an increase in or adjustment to the pensionable salary for a previous year and included in the pensionable salary established under sections 11 to 15 for the year during which the lump sum is paid must be distributed among the years for which the lump sum is paid if it is paid after 31 December 2006.

If the pensionable salary is reduced under the second paragraph of section 15, the part of the lump sum included in the pensionable salary is distributed for each year concerned in the proportion obtained by dividing the part of the lump sum referred to in section 13 and attributed to a given year by the lump sum referred to in that section.”

62. Section 35.2 of the Act is repealed.

63. Section 36 of the Act is amended by replacing “34” by “33.2”.

64. Section 37 of the Act is amended by replacing “34” in the fifth line of the first paragraph by “33.2”.

65. Section 40.1 of the Act is amended by replacing “subdivision 2” in the first line by “subdivisions 2 and 2.0.1”.

66. Section 65 of the Act is amended by replacing “34” in the second line of the second paragraph by “33.2”.

67. Section 73 of the Act is amended

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

“(2.1) identify, for the purposes of section 2.1, the classes of teachers who hold pensionable employment for which the basis of remuneration is 200 days;”;

(2) by replacing “section 35” in paragraph 6 by “sections 35.1.4 and 35.1.17”;

(3) by inserting the following paragraphs after paragraph 6:

“(6.1) determine, for the purposes of section 35.1.7, the daily factor, which may vary with the class of teachers and the terms of payment of the salary that apply;

“(6.2) determine, for the purposes of section 35.1.9, the method of establishing the annual basic salary of certain teachers whose conditions of employment offer a mode of remuneration that is not established with reference to such a salary;

“(6.3) determine, for the purposes of section 35.1.18, the method of establishing the contributory period of a teacher who simultaneously holds more than one pensionable employment under the plan in a year;”.

68. Section 82 of the Act is amended

(1) by inserting “as they read before 1 January 2010” after “38” in the first line of the first paragraph;

(2) by replacing “has ceased to hold his position, retired or died after that date” at the end of the first paragraph by “ceased to hold his position, retired or died after that date but before 1 January 2010”;

(3) by inserting “but before 1 January 2010” after “1983” in the second line of the second paragraph;

(4) by replacing “has been granted to the teacher before that date” at the end of the second paragraph by “was granted to the teacher before 30 June 1983”.

ACT RESPECTING THE CIVIL SERVICE SUPERANNUATION PLAN

69. Section 62 of the Act respecting the Civil Service Superannuation Plan (R.S.Q., chapter R-12) is amended by replacing “63.1.0.1” in the first line of the last paragraph by “62.7”.

70. Section 62.1 of the Act is amended by replacing “63.1.0.1” in the last line of each of subparagraphs 1 and 2 of the second paragraph and in the second line of the third paragraph by “62.7”.

71. The Act is amended by inserting the following sections after section 62.2:

“62.3. In respect of an officer who ceases to participate in the plan before 1 January 2010, sections 62, 62.1, 63 to 63.7, 65 and 108.5 and, if the officer dies before 1 January 2010, sections 76 and 78 apply as they read on the date on which the officer ceases to participate in the plan.

“62.4. The annual amount of the pension of an officer who ceases to participate in the plan after 31 December 2009 is equal, on the date on which the officer ceases to participate in the plan, to the total of the following amounts:

(1) the amount obtained by multiplying the average pensionable salary established under section 62.5, on the basis of annualized pensionable salaries that do not take into account the limit imposed by the first paragraph of sections 22.1 and 62.1, by 2% per year of service credited before 1 January 1992; and

(2) the amount obtained by multiplying the average pensionable salary established under section 62.5, on the basis of annualized pensionable salaries that take into account the limit imposed by the first paragraph of section 62.1, by 2% per year of service credited after 31 December 1991.

For the purposes of the first paragraph, the officer’s years of credited service taken into account must not exceed 35.

“62.5. The average pensionable salaries referred to in subparagraphs 1 and 2 of the first paragraph of section 62.4 are obtained by performing, in order, the following operations:

(1) selecting, from among the highest annualized pensionable salaries established under sections 62.6 and 62.11, as many as are necessary to make the aggregate of the contributory periods corresponding to the years for which the salaries are selected equal to 5 or, if the aggregate is less than 5, selecting all the salaries;

(2) multiplying each salary so selected for each year by the corresponding contributory period; and

(3) dividing the sum of the salaries resulting from the multiplication by the sum of the corresponding contributory periods.

“62.6. For the purposes of section 62.5, the annualization of salaries for the years of service prior to 2010 are obtained,

(1) when computing the average pensionable salary referred to in subparagraph 1 of the first paragraph of section 62.4, by dividing the pensionable salary for such a year by the service credited, except service credited under section 67.1; and

(2) when computing the average pensionable salary referred to in subparagraph 2 of the first paragraph of section 62.4, by dividing the pensionable salary for such a year by the service credited, except service credited under section 67.1. The limit imposed by the first paragraph of section 62.1 applies to the result obtained for each year.

The pensionable salary for each year, referred to in subparagraphs 1 and 2 of the first paragraph, is the pensionable salary established under sections 51, 52 and 60.2 to 62.

However, if a lump sum included in the pensionable salary established under the second paragraph is paid in 2007 or a subsequent year as an increase in or adjustment to the salary for a previous year, it must be subtracted from the pensionable salary for the year during which it is paid. In addition, a lump sum attributed to a given year under section 62.24 must be added to the pensionable salary for that year.

For the purposes of the first paragraph, all the years and parts of a year of service credited must be counted, but service credited under sections 67, 99.5 and 112.2 may not be counted in respect of service credited before 1 January 1992.

“62.7. For the purposes of the first paragraph of section 62.6, the aggregate of any lump sum paid as an increase in or adjustment to the pensionable salary for a previous year and any amount paid during the year in which the officer ceases to participate in the plan and pertaining to pensionable salary for the days and parts of a day credited to the officer for the last days of the previous year is excluded from the pensionable salary established under the second and third paragraphs of section 62.6.

The amount referred to in the first paragraph is to be added to the results obtained under the first paragraph of section 62.6. However, for the purposes of subparagraph 2 of the first paragraph of that section, the amount is added before the application of the limit imposed by section 62.1.

For the years and parts of a year of service credited after 31 December 1989, the amount referred to in the first paragraph is either the amount by which the pensionable salary of the officer established under the second and third paragraphs of section 62.6 exceeds the annual basic salary paid to the officer or that would have been paid to the officer under the conditions of employment applicable on the last credited day of the year, multiplied by the service credited to the officer during the year, or, if the officer simultaneously holds more than one pensionable employment under the plan during a year, the amount by which the officer's pensionable salary exceeds the total annual basic salary for each employment multiplied by the credited service attached to each employment.

The service credited under section 67.1 and, for 1990 and 1991, the service credited under section 67 must not be counted for the purposes of the third paragraph.

“62.8. For the purposes of paragraph 2 of section 62.5, an annualized pensionable salary for the years prior to 2010 resulting from the application of subparagraph 1 of the first paragraph of section 62.6 and selected under paragraph 1 of section 62.5 must be reduced by the amount that was added to it under section 62.7. That amount must then be added to the result of the multiplication referred to in paragraph 2 of section 62.5.

For the purposes of paragraph 2 of section 62.5, an annualized pensionable salary for the years prior to 2010 resulting from the application of subparagraph 2 of the first paragraph of section 62.6 and selected under paragraph 1 of section 62.5 must be reduced, if applicable, by the amount that was added under section 62.7 after applying the limit imposed by the first paragraph of section 62.1. That amount must then be added to the result of the multiplication referred to in paragraph 2 of section 62.5.

“62.9. For the purposes of sections 62.5, 63.3 and the sections that refer to section 63.3, a contributory period is, for each year prior to 2010, the number of contributory days in the period during which the officer participated in the plan in a year or in the period during which days and parts of a day were otherwise credited to the officer with contributions, except the days and parts of a day determined by regulation, over the number of contributory days in the year concerned, that is, 200 or 260 depending on the basis of remuneration for the employment. The contributory period of a new officer for the year during which the officer becomes a member of the plan begins on the first day in respect of which the officer contributed or was exempt from contributions and the last period ends on the last day credited in the year during which the officer ceases to participate in the plan.

“62.10. For the purpose of determining the average pensionable salary of an officer who ceases to participate in the plan after 31 December 2009, the pensionable salary, the basic salary and the contributory periods for the years prior to 2010 must be determined according to the years and parts of a year of service credited to the officer under the Teachers Pension Plan or the

Pension Plan of Peace Officers in Correctional Services and the basis of remuneration for the employment concerned for each of those years, that is, 200 or 260 days. The same rule applies for the purposes of section 63.3 and the sections that refer to section 63.3.

However, the pensionable salary and the contributory periods for the years and parts of a year of service credited under this plan on an actuarially equivalent basis are excluded from the average pensionable salary, as are the contributory periods for any previous years and parts of a year.

“62.11. For the purposes of section 62.5, the annualization of salaries for the years of service subsequent to 2009 are obtained,

(1) when computing the average pensionable salary referred to in subparagraph 1 of the first paragraph of section 62.4, by dividing the aggregate of the adjusted pensionable salary for such a year and the lump sum attributed to that year under section 62.24 by the harmonized service for the year; and

(2) when computing the average pensionable salary referred to in subparagraph 2 of the first paragraph of section 62.4, by dividing the aggregate of the adjusted pensionable salary for such a year and the lump sum attributed to that year under section 62.24 by the harmonized service for the year. The limit imposed by the first paragraph of section 62.1 applies to the result obtained for each year.

“62.12. The adjusted pensionable salary for a year, used to compute the annualized pensionable salary of an officer who holds pensionable employment under the plan for which the basis of remuneration is 260 days, is the pensionable salary established under sections 51, 52 and 60.2 to 61.1, multiplied by the daily factor applicable to that salary for the class of officers to which the officer belongs and divided by the number of contributory days included in the pensionable salary reference period for the year determined under section 62.18.

However, if a lump sum included in the pensionable salary is paid during the year as an increase in or adjustment to the pensionable salary for a previous year, it must be subtracted from the pensionable salary for the year during which it is paid.

The daily factor referred to in the first paragraph makes it possible to convert the annual basic salary into a daily salary, on the basis of the conditions of employment applicable to the officer. The Government may, by regulation, establish the daily factor, which may vary with the class of officers and the terms of payment of the officers' salary.

“62.13. For the purpose of computing the pension with respect to the years subsequent to 2009, when the pensionable salary of an officer who holds pensionable employment for which the basis of remuneration is 260 days and who ceases to participate in the plan at the end of a year is attached to service credited for the last days of participation 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. An adjusted pensionable salary is also computed for the officer for that year.

“62.14. For the purpose of computing annualized pensionable salary and establishing the contributory periods with respect to the years subsequent to 2009 for officers who hold an employment for which the basis of remuneration is 200 days, sections 35.1.9, 35.1.14, the second and third paragraphs of section 35.1.17 of the Act respecting the Teachers Pension Plan (chapter R-11) and the second paragraph of section 36.1.9 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) apply with the necessary modifications.

“62.15. In the case of officers who, during a year subsequent to 2009, hold pensionable employment for which the basis of remuneration is 260 days, the pensionable salary paid by a body designated in Schedule II.1 to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) to an officer released with pay for union activities during a year, or the portion of the pensionable salary paid by such a body to an officer released without pay that exceeds the pensionable salary the employer would have paid if the officer had not been so released, must be subtracted, for the purpose of computing the adjusted pensionable salary for the year, from the pensionable salary established under sections 51, 52 and 60.2 to 61.1. The pensionable salary or that portion of pensionable salary paid to the officer by the body is deemed to be, for the purpose of computing the annualized pensionable salary for the year, a lump sum attributed to the year under section 62.24.

“62.16. The adjusted pensionable salary of an officer to whom section 62.17 does not apply and who simultaneously holds more than one pensionable employment under the plan in a year subsequent to 2009 is the aggregate of the adjusted pensionable salaries computed under sections 62.12 to 62.15 for each employment 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 held by the officer is reduced under section 59, the adjusted pensionable salary is equal to the total of the adjusted pensionable salaries for the employments the officer holds but may not exceed the adjusted pensionable salary attached to the employment held for a proportionately greater number of days in the year or, if such employments were held for proportionately the same number of days, the adjusted pensionable salary attached to the employment with the highest annual basic salary. The adjusted pensionable salary for that

employment is multiplied by the harmonized service for the employments, established under the second paragraph of section 62.19, over the officer's harmonized service in respect of the employment selected, computed under section 62.14 or 62.18.

“62.17. An officer who simultaneously holds more than one pensionable employment under the plan with the same employer is deemed to hold only one employment for the purpose of computing the adjusted pensionable salary if the basis of remuneration for the employments is the same for a year subsequent to 2009 and the pensionable salary reference periods or school calendars relating to those employments are identical.

“62.18. Harmonized service is computed for an officer who holds pensionable employment for which the basis of remuneration is 260 days in order to reconcile the pensionable salary for a calendar year subsequent to 2009 with the number of days and parts of a day credited to the officer 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.

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

The pensionable salary reference period for a year, for officers 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 an officer referred to in section 62.13 for the pensionable salary for the year for which no service is credited.

“62.19. For the purpose of computing the pension with respect to the years subsequent to 2009, the harmonized service of an officer to whom section 62.20 does not apply and who simultaneously holds more than one pensionable employment under the plan in a year is the aggregate of the harmonized service established for each employment under section 62.14 or 62.18, 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 held by the officer is reduced under section 59, the harmonized service is the harmonized service that would have been computed under section 62.14 or 62.18 if the officer had held the employment selected under the second

paragraph of section 62.16 full time during the period in which the officer participated in the plan.

“62.20. An officer who simultaneously holds more than one pensionable employment under the plan with the same employer is deemed to hold only one pensionable employment for the purpose of computing harmonized service if, for a year subsequent to 2009, the basis of remuneration for the employments is the same and the pensionable salary reference periods or school calendars relating to those employments are identical.

“62.21. For the purposes of sections 62.6, 63.3 and the sections that refer to section 63.3, the contributory period of an officer who, during a year subsequent to 2009, holds pensionable employment under the plan for which the basis of remuneration is 260 days is determined by dividing by 260 the number of contributory days comprised in the period during which the officer participated in the plan or comprised in the period during which days and parts of a day were otherwise credited to the officer with contributions for that year under the plan, except the days and parts of a day determined by regulation, during the pensionable salary reference period for the year established in accordance with section 62.18.

The contributory period of a new officer for the year during which the officer becomes a member of the plan begins on the first day in respect of which the officer contributed or was exempt from contributions and the last period ends on the last day credited in the year during which the officer ceases to participate in the plan.

In the case of an officer to whom section 62.13 applies and who holds pensionable employment for which the basis of remuneration is 260 days, a contributory period that corresponds to the pensionable salary for the year for which no service is credited is also determined by dividing by 260 the number of contributory days referred to in the first paragraph that correspond to that salary.

“62.22. The Government may, by regulation, determine the method of establishing the contributory period of an officer who ceases to participate in the plan after 31 December 2009 if the officer simultaneously holds more than one pensionable employment in a year subsequent to 2009.

“62.23. For the purpose of determining the average pensionable salary, when the years and parts of a year of service subsequent to 2009 credited to an officer under the Pension Plan of Peace Officers in Correctional Services or the Teachers Pension Plan are credited under this plan, the basic salary, the pensionable salary and the credited service established under that plan and the data related to the officer’s participation in that plan and reported by the employer under section 188 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) for each credited year or part of a

year apply to this plan in order to establish the annualized pensionable salary and the contributory periods for those years and parts of a year credited under this plan.

For the purposes of sections 62.4 to 62.22 and 62.24, the sections to which they refer, and section 55.1 when that section is required for their application, the pensionable employment under the Pension Plan of Peace Officers in Correctional Services or the Teachers Pension Plan for which service was credited under this plan is deemed to be pensionable employment under this plan.

Despite the first paragraph, the annualized pensionable salary and the contributory periods for the years and parts of a year of service credited under this plan on an actuarially equivalent basis are excluded from the computation of the average pensionable salary, as are the contributory periods for any previous years and parts of a year.

“62.24. A lump sum paid as an increase in or adjustment to the pensionable salary for a previous year and included in the pensionable salary established under sections 51, 52 and 60.2 to 62 for the year during which the lump sum is paid must be distributed among the years for which the lump sum is paid if it is paid after 31 December 2006.

If the pensionable salary is reduced under the second paragraph of section 59, the part of the lump sum included in the pensionable salary is distributed for each year concerned in the proportion obtained by dividing the part of the lump sum referred to in section 52 and attributed to a given year by the lump sum referred to in that section.”

72. Sections 63 to 63.1.2 of the Act are repealed.

73. Section 63.2 of the Act is amended by replacing “63” by “62.4”.

74. Section 63.7.1 of the Act is amended by replacing “63” in the second line by “62.4”.

75. Section 65 of the Act is amended by replacing “63” in the second line of the second paragraph by “62.4”.

76. Section 109 of the Act is amended

(1) by replacing “section 63.1” in paragraph 5 by “sections 62.9 and 62.21”;

(2) by inserting the following paragraphs after paragraph 6:

“(6.1) determine, for the purposes of section 62.12, the daily factor applicable to the salary, which may vary with the class of officers and the terms of payment of the salary that apply;

“(6.2) determine, for the purposes of section 62.22, the method of establishing the contributory period of an officer who simultaneously holds more than one pensionable employment under the plan in a year;”.

77. Section 117 of the Act is amended

(1) by inserting “as they read before 1 January 2010” after “63.3” in the second line of the first paragraph;

(2) by replacing “if the public officer has ceased his duties, retired or died after that date” at the end of the first paragraph by “if the officer ceased his duties, retired or died after that date but before 1 January 2010”;

(3) by inserting “but before 1 January 2010” after “1983” in the second line of the second paragraph;

(4) by replacing “has been granted to the public officer before that date” at the end of the second paragraph by “was granted to the officer before 30 June 1983”.

ACT RESPECTING THE PENSION PLAN OF MANAGEMENT PERSONNEL

78. Section 7 of the Act respecting the Pension Plan of Management Personnel (R.S.Q., chapter R-12.1) is amended

(1) by adding the following sentence at the end of the third paragraph: “When an employee holds employment for which the basis of remuneration is 200 days, the employee is also deemed to hold pensionable employment until the end of the employment contract if the contract ends on 30 June of any year.”;

(2) by adding the following paragraph at the end:

“The Government shall identify by regulation the classes of employees who hold pensionable employment for which the basis of remuneration is 200 days.”

79. Section 30 of the Act, amended by section 136 of chapter 43 of the statutes of 2007, is again amended by inserting “for the pensionable employment held by the employee” after “remuneration” in the last line of each of subparagraphs 1 and 2 of the second paragraph.

80. The heading of Division III of Chapter II of the Act, enacted by section 139 of chapter 43 of the statutes of 2007, is amended by replacing “whose” by “holding pensionable employment for which the”.

81. Section 37.1 of the Act, enacted by section 139 of chapter 43 of the statutes of 2007, is amended

(1) by replacing “whose” in the first line of the first paragraph by “holding pensionable employment for which the”;

(2) by replacing “a person” in the first line of the fourth paragraph by “an employee”.

82. Section 37.3 of the Act, enacted by section 139 of chapter 43 of the statutes of 2007, is amended by striking out “credited” in the fourth line.

83. Section 50 of the Act is amended

(1) by striking out “within the meaning of that plan,” in the next to last line;

(2) by adding the following paragraph at the end:

“For the purposes of the plan, a school year is

(1) in the case of a school board, the period from 1 July of one year to 30 June of the following year; or

(2) in all other cases, the twelve-month period generally recognized by the body in the employment contract.”

84. The heading of subdivision 2 of Division I of Chapter IV of the Act is amended by adding “*of an employee who ceases to be a member of the plan before 1 January 2010*” at the end.

85. The Act is amended by inserting the following after the heading of subdivision 2 of Division I of Chapter IV:

“**50.1.** In respect of an employee who ceases to be a member of the plan before 1 January 2010, subdivisions 2 and 3 of Division I of Chapter IV, sections 76, 80, 106 and 138.1 and, if the employee dies before 1 January 2010, section 62 apply as they read on the date on which the employee ceases to be a member of the plan.

They also apply to a pensioner who becomes an employee under Chapter VII of the Act even if the pensioner once again ceases to be a member of the plan after 31 December 2009.

“§2.1. — *Computation of the pension of an employee who ceases to be a member of the plan after 31 December 2009*

“I — *General provisions*

“**50.2.** The annual amount of the pension of an employee who ceases to be a member of the plan after 31 December 2009 is equal, on the date on which the employee ceases to be a member, to the total of the following amounts:

(1) the amount obtained by multiplying the average pensionable salary established under this subdivision, on the basis of annualized pensionable salaries that do not take into account the limit imposed by the first paragraph of section 30, by 2% per year of service credited before 1 January 1992; and

(2) the amount obtained by multiplying the average pensionable salary established under this subdivision, on the basis of annualized pensionable salaries that take into account the limit imposed by the first paragraph of section 30, by 2% per year of service credited after 31 December 1991.

For the purposes of the first paragraph, the employee's years of credited service taken into account must not exceed 35.

“50.3. The average pensionable salaries referred to in subparagraphs 1 and 2 of the first paragraph of section 50.2 are obtained by performing, in order, the following operations:

(1) selecting, from among the highest annualized pensionable salaries, as many as are necessary to make the aggregate of the contributory periods corresponding to the years for which the salaries are selected equal to 3 or, if the aggregate is less than 3, selecting all the salaries;

(2) multiplying each salary so selected for each year by the corresponding contributory period; and

(3) dividing the sum of the salaries resulting from the multiplication by the sum of the corresponding contributory periods.”

86. Sections 51 to 53 of the Act are repealed.

87. The Act is amended by inserting the following before section 54:

“II — Annualization of salaries and determination of contributory periods for the years of service prior to 2010

“1. Annualized pensionable salary

“53.1. For the purposes of section 50.3, the annualization of salaries for the years of service prior to 2010 are obtained,

(1) when computing the average pensionable salary referred to in subparagraph 1 of the first paragraph of section 50.2, by dividing the pensionable salary for such a year by the service credited, except service credited under section 111; and

(2) when computing the average pensionable salary referred to in subparagraph 2 of the first paragraph of section 50.2, by dividing the pensionable salary for such a year by the service credited, except service credited under section 111. The limit imposed by the first paragraph of section 30 applies to the result obtained for each year.

The pensionable salary for each year, referred to in subparagraphs 1 and 2 of the first paragraph, is the pensionable salary established under sections 25 to 29. Despite sections 25.1 and 26, the pensionable salary paid in 2008 or 2009 for which no service is credited forms part of the pensionable salary for the last year during which service is credited and which is prior to the year during which the pensionable salary is paid.

However, if a lump sum included in the pensionable salary established under the second paragraph is paid in 2007 or a subsequent year as an increase in or adjustment to the salary for a previous year, it must be subtracted from the pensionable salary for the year during which it is paid. In addition, a lump sum attributed to a given year under section 53.20 must be added to the pensionable salary for that year.

For the purposes of the first paragraph, all the years and parts of a year of service credited must be counted, but service credited under sections 123, 125 and 126 may not be counted in respect of service credited before 1 January 1992.

“53.2. For the purposes of the first paragraph of section 53.1, the aggregate of any lump sum paid as an increase in or adjustment to the pensionable salary for a previous year and any amount paid during the year in which the employee ceases to be a member of the plan and pertaining to pensionable salary for the days and parts of a day credited to the employee for the last days of the previous year is excluded from the pensionable salary established under the second and third paragraphs of section 53.1.

The amount referred to in the first paragraph is to be added to the results obtained under the first paragraph of section 53.1. However, for the purposes of subparagraph 2 of the first paragraph of that section, the amount is added before the application of the limit imposed by section 30.

For the years and parts of a year of service credited after 31 December 1989, the amount referred to in the first paragraph is either the amount by which the pensionable salary of the employee established under the second and third paragraphs of section 53.1 exceeds the annual basic salary paid to the employee or that would have been paid to the employee under the conditions of employment applicable on the last credited day of the year, multiplied by the service credited to the employee during the year, or, if the employee simultaneously holds more than one pensionable employment under the plan during a year, the amount by which the employee’s pensionable salary exceeds the total annual basic salary for each employment multiplied by the

credited service attached to each employment in accordance with sections 29 and 32 or 33.1.

The service credited under section 111 and, for 1990 and 1991, the service credited under section 123 must not be counted for the purposes of the third paragraph.

“53.3. For the purposes of paragraph 2 of section 50.3, an annualized pensionable salary resulting from the application of subparagraph 1 of the first paragraph of section 53.1 and selected under paragraph 1 of section 50.3 must be reduced by the amount that was added to it under section 53.2. That amount must then be added to the result of the multiplication referred to in paragraph 2 of section 50.3.

For the purposes of paragraph 2 of section 50.3, an annualized pensionable salary resulting from the application of subparagraph 2 of the first paragraph of section 53.1 and selected under paragraph 1 of section 50.3 must be reduced, if applicable, by the amount that was added under section 53.2 after applying the limit imposed by the first paragraph of section 30. That amount must then be added to the result of the multiplication referred to in paragraph 2 of section 50.3.

“2. Contributory periods

“53.4. For the purposes of sections 50.3, 57 and the sections that refer to section 57, a contributory period is, for each year, the number of contributory days in the period during which the employee was a member of the plan in a year or in the period during which days and parts of a day were otherwise credited to the employee with contributions, within the meaning of section 73, except the days and parts of a day determined by regulation, over the number of contributory days in the year concerned, that is, 200 or 260 days depending on the basis of remuneration for the employment. The contributory period of a new employee for the year during which the employee becomes a member of the plan begins on the first day in respect of which the employee contributed or was exempt from contributions and the last period ends on the last day credited in the year during which the employee ceases to be a member of the plan.

“3. Credited service derived from another plan

“53.5. Subject to section 143.12 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2), for the purpose of establishing the average pensionable salary, the pensionable salary, the basic salary and the contributory periods must be determined according to the years and parts of a year of service credited to the employee under a pension plan referred to in section 4 of the Act respecting the Commission administrative des régimes de retraite et d’assurances (2006, chapter 49) and the basis of remuneration for the employment concerned for each of those

years, that is, 200 or 260 days. The same rule applies for the purposes of sections 57 and 62 to the extent that they refer to section 57.

However, the annualized pensionable salary and the contributory periods for the years and parts of a year of service credited under this plan on an actuarially equivalent basis pursuant to Division I.3 of Chapter VI or under a transfer agreement entered into under section 203, section 133 of the Act respecting the Pension Plan of Peace Officers in Correctional Services or section 158 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) are excluded from the average pensionable salary, as are the contributory periods for any previous years and parts of a year.

“III — Annualization of salaries and determination of contributory periods for the years of service subsequent to 2009

“1. Annualized pensionable salary

“53.6. For the purposes of section 50.2, the annualization of salaries for the years of service subsequent to 2009 are obtained,

(1) when computing the average pensionable salary referred to in subparagraph 1 of the first paragraph of section 50.2, by dividing the aggregate of the adjusted pensionable salary for such a year and the lump sum attributed to that year under section 53.20 by the harmonized service for the year; and

(2) when computing the average pensionable salary referred to in subparagraph 2 of the first paragraph of section 50.2, by dividing the aggregate of the adjusted pensionable salary for such a year and the lump sum attributed to that year under section 53.20 by the harmonized service for the year. The limit imposed by the first paragraph of section 30 applies to the result obtained for each year.

“2. Adjusted pensionable salary

“53.7. The adjusted pensionable salary for a year, used to compute the annualized pensionable salary of an employee who holds pensionable employment under the plan for which the basis of remuneration is 260 days, is the pensionable salary established under sections 25 to 28.1, multiplied by the daily factor applicable to that salary for the class of employees to which the employee belongs and divided by the number of contributory days included in the pensionable salary reference period for the year determined under section 37.1.

However, if a lump sum included in the pensionable salary is paid during the year as an increase in or adjustment to the pensionable salary for a previous year, it must be subtracted from the pensionable salary for the year during which it is paid.

An adjusted pensionable salary is also computed for an employee to whom section 25.1 applies for the year for which no service is credited to the employee.

The daily factor referred to in the first paragraph makes it possible to convert the annual basic salary into a daily salary, on the basis of the conditions of employment applicable to the employee. The Government may, by regulation, establish the daily factor, which may vary with the class of employees and the terms of payment of the employees' salary.

“53.8. The adjusted pensionable salary for a calendar year, used to compute the annualized pensionable salary of an employee who holds pensionable employment under the plan for which the basis of remuneration is 200 days, is based on the school calendars for the period during which the employee was a member of the plan during the two parts of a school year in the calendar year. The school calendar is the distribution of the 200 contributory days of a school year over two calendar years, based on the conditions of employment applicable to the employee.

The adjusted pensionable salary is determined using the following formula:

$$\left[\left[\frac{T \times N}{200} \right] \times P \right] - A$$

(1) T is the basic salary the employee would have been entitled to receive if the employee had held the employment referred to in the first paragraph full time during the period referred to in that paragraph, based on the conditions of employment applicable to the employee. The basic salary does not include the lump sum paid subsequently as an increase in or adjustment to the basic salary for that year;

(2) N is the number of contributory days in the period referred to in the first paragraph;

(3) P is the percentage of working time related to employment referred to in the first paragraph held during the period referred to in that paragraph; and

(4) A, for an employee who, while holding employment referred to in the first paragraph, was absent without pay during the period referred to in that paragraph, is the basic salary that employee would have received in that employment during the period of absence if the period was not otherwise credited under the plan.

P is obtained by carrying out, in order, the following operations:

(1) adding, for the period referred to in the first paragraph, the number of contributory days and parts of a day credited to the employee in keeping with the school calendars and the number of contributory days and parts of a day

during which the employee was absent without pay while holding the employment referred to in that paragraph if the contributory days and parts of a day were not otherwise credited under the plan; and

(2) dividing the result of the addition by N.

For the purposes of subparagraph 1 of the third paragraph, the number of contributory days and parts of a day credited to the employee in keeping with the school calendars is the total 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 under the plan, for the period referred to in the first paragraph. The days and parts of a day are rounded to the fourth decimal.

The Government may, by regulation, determine the method for establishing the annual basic salary for certain employees whose conditions of employment offer a mode of remuneration that is not established with reference to such a salary.

“53.9. In the case of employees who hold pensionable employment for which the basis of remuneration is 260 days, the pensionable salary paid by a body designated in Schedule III to this Act or Schedule II.1 to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) to an employee who is released with pay to hold pensionable employment under this plan with an association representing management personnel or for union activities during a year must be subtracted, for the purpose of computing the adjusted pensionable salary for the year, from the pensionable salary established under sections 25 to 28.1. The pensionable salary paid to the employee by the body or association is deemed to be, for the purpose of computing the annualized pensionable salary for the year, a lump sum attributed to the year under section 53.20.

In the case of employees who hold pensionable employment for which the basis of remuneration is 200 days, the basic salary paid by a body designated in Schedule III to this Act or Schedule II.1 to the Act respecting the Government and Public Employees Retirement Plan to an employee who is released with pay to hold pensionable employment under this plan with an association representing management personnel or for union activities during the period referred to in the first paragraph of section 53.8 is deemed to be, for the purpose of computing the annualized pensionable salary, a lump sum attributed to the year under section 53.20.

“53.10. The adjusted pensionable salary of an employee to whom section 53.11 does not apply and who simultaneously holds more than one pensionable employment under the plan in a year is the aggregate of the adjusted pensionable salaries computed under sections 53.7 or 53.8 and 53.9 for each employment 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 held by the employee is reduced under section 32, the adjusted pensionable salary of the employee is equal to the total of the following amounts:

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

(2) the adjusted 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 such employment.

“53.11. An employee who simultaneously holds more than one pensionable employment under the plan with the same employer is deemed to hold only one pensionable employment for the purpose of computing the adjusted pensionable salary if the basis of remuneration for the employments is the same for a given year and the pensionable salary reference periods or school calendars relating to those employments are identical.

“53.12. In the case referred to in the first paragraph of section 33.1, the adjusted pensionable salary attached to pensionable employment under the plan is the adjusted pensionable salary computed under sections 53.7 or 53.8 and 53.9, multiplied by the credited service established under the first paragraph of section 33.1 and divided by the service established in accordance with sections 31 and 32.

“3. Harmonized service of employees who hold pensionable employment for which the basis of remuneration is 200 days

“53.13. Harmonized service is computed for an employee who holds pensionable employment for which the basis of remuneration is 200 days in order to reconcile the adjusted pensionable salary for the calendar year computed under sections 53.8 and 53.9 with the number of contributory days and parts of a day credited to the employee in keeping with the school calendars included in the period during which the employee participated in the plan during the two parts of a school year in that calendar year.

Harmonized service is established by dividing by 200 the number of contributory days and parts of a day credited to the employee in keeping with the school calendars established in accordance with the fourth paragraph of section 53.8.

“4. Harmonized service of employees who hold more than one pensionable employment

“53.14. For the purposes of this subdivision, the harmonized service of an employee to whom section 53.15 does not apply and who simultaneously holds more than one pensionable employment under the plan in a year is the aggregate of the harmonized service established for each employment under

section 37.1 or 53.13, 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 held by the employee is reduced under section 32, harmonized service 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.

“53.15. For the purposes of this subdivision, an employee who simultaneously holds more than one pensionable employment under the plan with the same employer is deemed to hold only one pensionable employment for the purpose of computing harmonized service if, for a given year, the basis of remuneration for the employments is the same and the pensionable salary reference periods or school calendars relating to those employments are identical.

“53.16. For the purposes of this subdivision, in the case referred to in the first paragraph of section 33.1, the harmonized service in respect of a pensionable employment under the plan is the harmonized service established under section 37.1 or 53.13, multiplied by the credited service established under the first paragraph of section 33.1 and divided by the service established in accordance with sections 31 and 32.

“5. Contributory periods

“53.17. For the purposes of sections 50.3, 57 and the sections that refer to section 57, the contributory period of an employee who during a year holds pensionable employment under the plan for which the basis of remuneration is 260 days is determined by dividing by 260 the number of contributory days comprised in the period during which the employee was a member of the plan or comprised in the period for which days and parts of a day were otherwise credited to the employee with contributions for that year under the plan, within the meaning of section 73, except the days and parts of a day determined by regulation, during the pensionable salary reference period for the year established in accordance with section 37.1.

The contributory period of an employee who during a year holds pensionable employment under the plan for which the basis of remuneration is 200 days is determined by dividing by 200 the number of contributory days in the school calendars included in the period during which the employee was a member of the plan during the two parts of a school year included in a calendar year or in the period for which days and parts of a day were otherwise credited to the employee with contributions, for that year, within the meaning of section 73, except the days and parts of a day determined by regulation.

The contributory period of a new employee for the year during which the employee becomes a member of the plan begins on the first day in respect of which the employee paid or was exempt from contributions and the last period ends on the last day credited in the year during which the employee ceases to be a member of the plan.

In the case of an employee to whom section 25.1 applies and who holds pensionable employment for which the basis of remuneration is 260 days, a contributory period that corresponds to the pensionable salary for the year for which no service is credited is also determined by dividing by 260 the number of contributory days referred to in the first paragraph that correspond to that salary.

“53.18. The Government may, by regulation, determine the method of establishing the contributory period of an employee who simultaneously holds more than one pensionable employment in a year.

“6. Credited service derived from another plan

“53.19. For the purpose of computing the average pensionable salary, when the years and parts of a year of service credited to an employee under a pension plan referred to in section 4 of the Act respecting the Commission administrative des régimes de retraite et d’assurances (2006, chapter 49) are credited under this plan, the basic salary, the pensionable salary and the credited service determined under the plan and the data related to the employee’s membership in that plan and reported by the employer under section 188 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) for each credited year or part of a year apply to this plan in order to establish the annualized pensionable salary and the contributory periods for those years and parts of a year credited under this plan, subject to section 143.12 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2).

For the purposes of this subdivision, the sections to which it refers, and sections 6 and 9 when those sections are required for the application of this subdivision, the pensionable employment under a plan referred to in section 4 of the Act respecting the Commission administrative des régimes de retraite et d’assurances for which service was credited under this plan is deemed to be pensionable employment under this plan.

Despite the first paragraph, the annualized pensionable salary and the contributory periods for the years and parts of a year of service credited under this plan on an actuarially equivalent basis pursuant to Division I.3 of Chapter VI or under a transfer agreement entered into under section 203, section 133 of the Act respecting the Pension Plan of Peace Officers in Correctional Services or section 158 of the Act respecting the Government and Public Employees Retirement Plan are excluded from the computation of the average pensionable salary, as are the contributory periods for any previous years and parts of a year.

“IV — *Miscellaneous provisions*

53.20. A lump sum paid as an increase in or adjustment to the pensionable salary for a previous year included in the pensionable salary established under sections 25 to 29 for the year during which the lump sum is paid must be distributed among the years for which the lump sum is paid if it is paid after 31 December 2006.

If the pensionable salary is reduced under the second paragraph of section 29, the part of the lump sum included in the pensionable salary is distributed for each year concerned in the proportion obtained by dividing the part of the lump sum referred to in section 26 and attributed to a given year by the lump sum referred to in that section.”

88. Section 54 of the Act is repealed.

89. Section 55 of the Act is amended by replacing “51” by “50.2”.

90. Section 58 of the Act is amended by replacing “subdivision 2” in the first line by “subdivisions 2 and 2.1”.

91. Section 135 of the Act is amended by inserting the following sentence after the first sentence: “However, for the purposes of a pension, for years subsequent to 2009, the annualized pensionable salary for the years covered by the agreement is the salary that would have been determined for the employee if the employee had not availed himself or herself of this division.”

92. Section 136 of the Act is amended by inserting “the annualized pensionable salary,” after “pensionable salary,” in the second line of the first paragraph.

93. Section 138.1 of the Act is amended by replacing “51” in the last line of the second paragraph by “50.2”.

94. Section 155 of the Act is amended

(1) by striking out “the pensionable salary of and” in the third and fourth lines;

(2) by inserting at the end “, and, for the years prior to 2010, the pensionable salary and, for the years subsequent to 2009, the annualized pensionable salary”.

95. Section 196 of the Act, amended by section 159 of chapter 43 of the statutes of 2007, is again amended

(1) by inserting the following subparagraph after subparagraph 2.1 of the first paragraph:

“(2.2) identify, for the purposes of section 7, the classes of employees who hold pensionable employment for which the basis of remuneration is 200 days;”;

(2) by replacing “section 52” in subparagraph 6 of the first paragraph by “sections 53.4 and 53.17”;

(3) by inserting the following subparagraphs after subparagraph 6 of the first paragraph:

“(6.1) determine, for the purposes of section 53.7, the daily factor, which may vary with the class of employees and the terms of payment of the salary that apply;

“(6.2) determine, for the purposes of section 53.8, the method of establishing the annual basic salary of certain employees whose conditions of employment offer a mode of remuneration that is not established with reference to such a salary;

“(6.3) determine, for the purposes of section 53.18, the method of establishing the contributory period of an employee who simultaneously holds more than one pensionable employment in a year;”.

96. Section 196.1 of the Act is amended by inserting “16.0.1,” after “16,” in the second line.

TRANSITIONAL AND FINAL PROVISIONS

97. The last sentence of the third paragraph of section 36 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10), added by section 57 of chapter 43 of the statutes of 2007, is replaced by the following sentence: “In addition, despite sections 14.1 and 16, the pensionable salary paid after 31 December 2007 for which no service is credited is 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.”

98. The last sentence of the third paragraph of section 46 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (R.S.Q., chapter R-9.2), added by section 32 of chapter 43 of the statutes of 2007, is replaced by the following sentence: “In addition, despite sections 9.1 and 11, the pensionable salary paid after 31 December 2007 for which no service is credited is 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.”

99. The last sentence of the third paragraph of section 52 of the Act respecting the Pension Plan of Management Personnel (R.S.Q., chapter R-12.1), added by section 143 of chapter 43 of the statutes of 2007, is replaced by the following

sentence: “In addition, despite sections 25.1 and 26, the pensionable salary paid after 31 December 2007 for which no service is credited is 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.”

100. Section 179 of the Act to amend various legislative provisions concerning pension plans in the public sector (2007, chapter 43) is replaced by the following section:

“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, continue to apply to a pensioner under the Teachers Pension Plan or the Civil Service Superannuation Plan who held pensionable employment under the Government and Public Employees Retirement Plan on 31 December 2006 or between that date and 1 January 2008 and ceased to hold that pensionable employment between those two dates, as long as the pensioner continued to hold that pensionable employment.

The provisions of the Act respecting the Government and Public Employees Retirement Plan referred to in the first paragraph, as they read on 31 December 2006, and those to the same effect under the Act respecting the Teachers Pension Plan and the Act respecting the Civil Service Superannuation Plan, 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 held pensionable employment under the Government and Public Employees Retirement Plan on 31 December 2007. These provisions apply until the earlier of the date on which the pensioner ceases to hold pensionable employment or the date on which the pensioner reaches 65 years of age. The pensioner ceases to participate in the Government and Public Employees Retirement Plan on that date and is deemed to have retired on the following day. However, if the pensioner reaches the age of 65 before 1 January 2008, the pensioner ceases to participate in that plan on 31 December 2007 and is deemed to have retired on 1 January 2008.

The pension accrued under the Government and Public Employees Retirement Plan is established and computed in accordance with that plan on the date the pensioner ceases to participate in it. Any contributions paid by the pensioner since 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 of the refund. The provisions relating to the return to work of a pensioner enacted under section 79 of this Act apply from the date on which the pensioner retires.

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

The provisions of the Act respecting the Teachers Pension Plan, the Act respecting the Civil Service Superannuation Plan or the Act respecting the Pension Plan of Management Personnel 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 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 Pension Plan of Management Personnel, as long as the pensioner continues to hold that pensionable employment.

101. Sections 60 to 73 of the Act respecting the Government and Public Employees Retirement Plan cease to apply on 31 December 2007 to pensioners under the Teachers Pension Plan or the Civil Service Superannuation Plan to whom they applied on that date and the provisions relating to the return to work of a pensioner enacted by section 79 of the Act to amend various legislative provisions concerning pension plans in the public sector (2007, chapter 43) apply.

102. Section 16 has effect from 1 January 2007.

103. Section 100 has effect from 21 December 2007.

104. Sections 2 to 5, 35 to 37, 79 to 82, 97 to 99 and 101 have effect from 1 January 2008.

105. Sections 51 and 52 have effect from 2 April 2008.

106. This Act comes into force on 1 January 2010, except

(1) sections 2 to 5, 16, 35 to 37, 51, 52, 79 to 82 and 97 to 105 which come into force on (*insert the date of assent to this Act*); and

(2) sections 17, 18, 20, 22 and 96, which come into force on the date or dates to be set by the Government.

