



NATIONAL ASSEMBLY OF QUÉBEC

SECOND SESSION

FORTY-SECOND LEGISLATURE

Bill 27

**An Act amending mainly certain Acts
establishing public sector pension
plans**

Introduction

**Introduced by
Madam Sonia LeBel
Minister Responsible for Government Administration
and Chair of the Conseil du trésor**

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EXPLANATORY NOTES

This bill allows an enhancement of benefits related to pension credits under the Government and Public Employees Retirement Plan, according to the terms and conditions determined by the pension committee of that plan.

The bill limits to employees who participated in a public sector pension plan administered by Retraite Québec the right to request Retraite Québec to return to the pension plan sums held by Revenu Québec under the Public Curator Act or the Unclaimed Property Act.

The bill amends the Act respecting the Pension Plan of Management Personnel, in particular with regard to the composition of the pension committee of that Plan.

The bill allows the amount withheld annually from the pensionable salary paid to an employee who is a member of the Pension Plan of Peace Officers in Correctional Services to no longer be limited to 9% of that salary.

Lastly, the bill includes miscellaneous, transitional and final provisions.

LEGISLATION AMENDED BY THIS BILL:

- Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2);
- Act respecting the Government and Public Employees Retirement Plan (chapter R-10);
- Act respecting the Pension Plan of Management Personnel (chapter R-12.1);
- Act respecting Retraite Québec (chapter R-26.3).

Bill 27

AN ACT AMENDING MAINLY CERTAIN ACTS ESTABLISHING PUBLIC SECTOR PENSION PLANS

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

ACT RESPECTING THE PENSION PLAN OF PEACE OFFICERS IN CORRECTIONAL SERVICES

1. Section 42 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2) is amended by striking out the fourth paragraph.

ACT RESPECTING THE GOVERNMENT AND PUBLIC EMPLOYEES RETIREMENT PLAN

2. Section 89 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) is replaced by the following section:

“89. Unless the pension committee provides otherwise, the pension credit is increased where the actuarial valuation of the pension credits obtained under sections 86, 100, 104, 113 and 115.5.1 identifies sums available for that purpose. The committee shall determine the terms and conditions of the increase, which may prescribe the portion of the available sums to be applied to the increase, vary with the categories of pension credits and persons the committee determines and take effect on any date not prior to 1 January following the date of the production of the actuarial valuation. The terms and conditions shall be published on the website of Retraite Québec.

The increase applies only to the portion of the pension credit whose payment derives from the sums paid by employees for the pension credit.

For the purposes of section 151, the sums owing under this section become payable on the date of the resolution of the pension committee determining the terms and conditions of the increase, if those terms and conditions take effect before the date of the resolution.”

3. Section 107.1 of the Act is repealed.

4. Section 128 of the Act is amended by replacing “derived from the past service of an employee under a pension plan to which he was a member” by “under sections 86, 100, 104, 113 and 115.5.1”.

5. Section 131 of the Act is amended by replacing “the payment of the pension credit shall be made, first, out of the funds that have been transferred to Retraite Québec for that purpose and, thereafter, out of the Consolidated Revenue Fund” by “the sums necessary for the payment of the pension credit are taken out of the employees’ contribution fund at the Caisse de dépôt et placement du Québec”.

6. The Act is amended by inserting the following section after section 131.1:

“131.2. Notwithstanding section 130, the sums necessary for the payment of the increase of the pension credits obtained under sections 86, 100, 104, 113 and 115.5.1 are taken out of the net assets that are available in respect of those pension credits and that form part of the employees’ contribution fund at the Caisse de dépôt et placement du Québec.”

7. Section 134 of the Act is amended by striking out subparagraphs 11.3.1 and 13.1 of the first paragraph.

8. Section 147.0.6 of the Act is amended, in the first paragraph,

(1) by inserting “who participated in a pension plan,” after “person”;

(2) by replacing “to have a right in respect of such sums” by “, in respect of such sums and by reason of the person’s participation in that plan, to have a right”.

9. Section 158.0.1 of the Act is repealed.

10. Section 165 of the Act is amended by inserting the following subparagraphs after subparagraph 3 of the first paragraph:

“(3.1) establishing, jointly with the Caisse de dépôt et placement du Québec and after consultation with the pension committee referred to in section 196.2 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1), an investment policy in respect of sums paid by employees to obtain pension credits under sections 86, 100, 104, 113 and 115.5.1 of this Act;

“(3.2) after consultation with the pension committee referred to in section 196.2 of the Act respecting the Pension Plan of Management Personnel, determining the terms and conditions of the increase of a pension credit provided for in section 89 of this Act or determining that the pension credit is not subject to such an increase;”.

ACT RESPECTING THE PENSION PLAN OF MANAGEMENT PERSONNEL

11. Section 19.1 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1) is repealed.

12. Section 196.3 of the Act is amended, in subparagraph 1 of the first paragraph,

(1) by replacing “one person representing the employees of the public service sector, appointed” in subparagraph *a* by “two persons representing the employees of the public service sector, appointed”;

(2) in subparagraph *c*,

(*a*) by replacing “four” by “three”;

(*b*) by striking out “one representing the directors general,”.

ACT RESPECTING RETRAITE QUÉBEC

13. Section 58 of the Act respecting Retraite Québec (chapter R-26.3) is amended by inserting the following paragraph after the second paragraph:

“Despite the first and second paragraphs, the sums required to cover the administrative expenses related to the increase of the pension credits obtained under sections 86, 100, 104, 113 and 115.5.1 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) are taken out of the employees’ contribution fund of the Government and Public Employees Retirement Plan.”

MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

14. Retraite Québec transfers the sum of \$44,500,000 from the employees’ contribution fund under the Government and Public Employees Retirement Plan to the Consolidated Revenue Fund. The transfer is made not later than (*insert the date that is 60 days after the date of assent to this Act or 1 July 2022, whichever is later*).

15. Pension credits obtained under sections 86, 100, 104, 113 and 115.5.1 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) are increased as of 1 January 2021 using the sum of \$28,031,100, according to the terms and conditions determined by the pension committee referred to in section 163 of that Act, after consultation with the pension committee referred to in section 196.2 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1). Those terms and conditions may vary with the categories of pension credits and persons that the committee determines and are published on the website of Retraite Québec.

The increase applies only to the portion of pension credits paid out of sums paid by employees to acquire the pension credits.

Despite section 130 of the Act respecting the Government and Public Employees Retirement Plan, the sums necessary for the payment of the increase of the pension credits are taken out of the net assets that are available in respect

of the pension credits obtained under sections 86, 100, 104, 113 and 115.5.1 and that form part of the employees' contribution fund at the Caisse de dépôt et placement du Québec.

For the purposes of section 151 of that Act, the sums owing under this section become payable on the date of the resolution of the pension committee determining the terms and conditions of the increase.

Despite section 58 of the Act respecting *Retraite Québec* (chapter R-26.3), the sums required to cover the administrative expenses related to the increase of pension credits are taken out of the employees' contribution fund of the Government and Public Employees Retirement Plan.

16. The pension credits obtained under sections 101 and 158 of the Act respecting the Government and Public Employees Retirement Plan are increased by using a portion of the actuarial surplus pertaining to those pension credits, in accordance with the terms and conditions determined by the pension committee referred to in section 163 of that Act, after consultation with the pension committee referred to in section 196.2 of the Act respecting the Pension Plan of Management Personnel.

The pension committee referred to in section 163 of the Act respecting the Government and Public Employees Retirement Plan may, after consultation with the pension committee referred to in section 196.2 of the Act respecting the Pension Plan of Management Personnel, also use a portion of the actuarial surplus pertaining to those pension credits to prescribe special provisions that may differ from those provided for in sections 91, 92 and 107 of the Act respecting the Government and Public Employees Retirement Plan and make payments to persons who have obtained those pension credits, in accordance with the terms and conditions it determines.

The terms and conditions provided for in the first and second paragraphs take effect on 1 January 2021, may vary according to the nature of the pension credits and the supplemental pension plan under which the pension credits were obtained and are published on the website of *Retraite Québec*.

The sums owing under this section are taken out of the employees' contribution fund under the Government and Public Employees Retirement Plan at the Caisse de dépôt et placement du Québec.

For the purposes of section 151 of the Act respecting the Government and Public Employees Retirement Plan, the sums owing under this section become payable on the date of the resolution of the pension committee determining the terms and conditions of the increase.

For the purposes of the first and second paragraphs, the actuarial surplus pertaining to the pension credits corresponds to the amount of \$208,384,000, which is adjusted by *Retraite Québec* on the basis of the actuarial gains and

losses related to the performance of the funds that were transferred for the purposes of those pension credits after 31 December 2020, but before (*insert the date of assent to this Act or 1 July 2022, whichever is later*).

17. The provisions of Division IX.2.1 of the Regulation under the Act respecting the Government and Public Employees Retirement Plan (chapter R-10, r. 2), as they read on 31 December 2023, continue to apply in respect of the pension credits obtained under sections 86, 100, 104, 113 and 115.5.1 of the Act respecting the Government and Public Employees Retirement Plan that are referred to in those provisions.

18. The provisions of the Regulation respecting pension credits obtained pursuant to sections 101 and 158 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10, r. 11), as they read on (*insert the date preceding the date of assent to this Act or 30 June 2022, whichever is later*), continue to apply in respect of the pension credits obtained under sections 101 and 158 of the Act respecting the Government and Public Employees Retirement Plan that are referred to in those provisions.

19. The person representing the directors general of the health and social services sector on the pension committee referred to in section 196.2 of the Act respecting the Pension Plan of Management Personnel in office on (*insert the date preceding the date of assent to this Act*) is deemed to have been appointed under subparagraph *a* of subparagraph 1 of the first paragraph of section 196.3 of that Act, as amended by section 12 of this Act.

20. The investment policy established under subparagraph 3 of the first paragraph of section 165 of the Act respecting the Government and Public Employees Retirement Plan applies in respect of sums paid by employees covered by the Government and Public Employees Retirement Plan for the pension credits obtained under sections 86, 100, 104, 113 and 115.5.1 of that Act, until an investment policy is established under subparagraph 3.1 of the first paragraph of section 165 of that Act, as introduced by section 10 of this Act.

21. Section 1 has effect from 1 January 2022.

22. This Act comes into force on (*insert the date of assent to this Act*), except

(1) sections 2 and 6, section 7, to the extent that it relates to subparagraph 11.3.1 of the first paragraph of section 134 of the Act respecting the Government and Public Employees Retirement Plan, section 10, to the extent that it relates to subparagraph 3.2 of section 165 of that Act, and sections 13 and 17, which come into force on 1 January 2024; and

(2) sections 3 to 5, section 7, to the extent that it relates to subparagraph 13.1 of the first paragraph of section 134 of the Act respecting the Government and Public Employees Retirement Plan, and sections 9 and 18, which come into force on (*insert the date of assent to this Act or 1 July 2022, whichever is later*).

