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# NATIONAL ASSEMBLY

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SECOND SESSION

THIRTY-FIFTH LEGISLATURE

Bill 394

**An Act respecting the pension plan of  
certain employees of the Commission  
des écoles catholiques de Québec**

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**Introduction**

**Introduced by  
Mr André Gaulin  
Member for Taschereau**

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## **EXPLANATORY NOTES**

*The object of this bill is to amend certain provisions of the pension plan of certain employees of the Commission des écoles catholiques de Québec without increasing member contributions, the costs resulting from the amendments being paid out of the actuarial surplus of the plan.*

*The bill first provides for a decrease in the actuarial reduction in respect of a member who receives an early retirement pension. In addition, the maximum age for the postponement of the payment of a pension is 69 years of age and the administration costs of the plan will be paid by the pension fund and not by the employer. The bill also provides, on the conditions determined therein, for the payment of a temporary additional pension and for the use, on certain conditions, of future actuarial surpluses in order to introduce temporary early retirement measures and ensure conformity of the provisions of the plan with the Supplemental Pension Plans Act and the Income Tax Act.*

## Bill 394

### AN ACT RESPECTING THE PENSION PLAN OF CERTAIN EMPLOYEES OF THE COMMISSION DES ÉCOLES CATHOLIQUES DE QUÉBEC

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS :

1. Notwithstanding section 125 of the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., chapter R-10), the pension plan of certain employees of the Commission des écoles catholiques de Québec may be amended to the extent provided by this Act without increasing the member contributions, and the additional costs resulting therefrom shall be paid out of the actuarial surplus of the plan.

2. Section 7.01 of the plan is amended by replacing “0.33%” by “0.25%”.  
(Translation)

3. Section 8.01 of the plan is amended by replacing “seventy-one” by “sixty-nine”. (Translation)

4. Section 14.07 of the plan is replaced by the following :

“14.07 Administration costs

The administration costs of the plan shall be paid by the pension fund. The costs include, in particular, the fees of the actuary, the trustee and every other adviser or expert appointed by the pension committee.” (Translation)

5. Every member who, during the period extending from 1 July 1997 to 30 June 2002, retires before the normal retirement date is entitled, if the member has ten years of service or more and is receiving an early retirement pension, to a temporary additional pension which ceases to be payable to the member on the first day of the month following the month in which the member reaches 65 years of age.

The amount of the additional pension shall be equal to the maximum pension payable under the Old Age Security Act (Revised Statutes of Canada, 1985, chapter O-9) on the date of retirement. The amount shall, however, be reduced so that the total of that amount and the amount of the early retirement pension does not exceed 70% of the average final income.

The amount of the additional pension shall be indexed annually in the same manner as the early retirement pension.

6. The employer may, after determining a reserve sufficient to provide for the various risks covered by the plan, use any actuarial surplus determined in the report on the actuarial valuation required under the Supplemental Pension Plans Act (R.S.Q., chapter R-15.1) as follows :

(1) to apply any early retirement measure for any period not exceeding three years ;

(2) to bring the provisions of the plan into conformity with the Supplemental Pension Plans Act and the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement).

However, such measures must first be approved by the Government and an actuarial valuation of the plan must show the existence of a surplus sufficient to cover the total cost thereof.

7. Sections 2, 3 and 5 have effect from 1 July 1997.

8. This Act comes into force on (*insert here the date of assent to this Act*).