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# NATIONAL ASSEMBLY

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SECOND SESSION

THIRTY-NINTH LEGISLATURE

## Bill 11

**An Act to amend the Supplemental Pension Plans Act and to provide for the possibility of opting to receive a pension paid by the Régie des rentes du Québec during the existence of certain plans in the pulp and paper sector**

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### Introduction

**Introduced by  
Madam Julie Boulet  
Minister of Employment and Social Solidarity**

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## **EXPLANATORY NOTES**

*This bill introduces amendments to the Supplemental Pension Plans Act to extend the period of retroactive effect of certain government regulations by one year and provide that, for the purpose of determining the solvency of a pension plan, the assets of the plan must be established according to their market value rather than their liquidation value.*

*The option of receiving benefits as a pension paid out of the assets administered by the Régie des rentes du Québec is made available to the pulp and paper sector even where a plan is not terminated or an employer has not withdrawn, provided certain requirements are met and a government regulation is made to that effect.*

*Lastly, transitional provisions are introduced.*

## **LEGISLATION AMENDED BY THIS BILL:**

- Supplemental Pension Plans Act (R.S.Q., chapter R-15.1).

## **Bill 11**

### **AN ACT TO AMEND THE SUPPLEMENTAL PENSION PLANS ACT AND TO PROVIDE FOR THE POSSIBILITY OF OPTING TO RECEIVE A PENSION PAID BY THE RÉGIE DES RENTES DU QUÉBEC DURING THE EXISTENCE OF CERTAIN PLANS IN THE PULP AND PAPER SECTOR**

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

**1.** Section 2 of the Supplemental Pension Plans Act (R.S.Q., chapter R-15.1) is amended by replacing “the year preceding” in the third paragraph by “the penultimate year preceding”.

**2.** Section 123 of the Act is amended by replacing “according to their liquidation value” in the first paragraph by “according to their market value”.

**3.** The Government may, if it makes a regulation under section 2 of the Supplemental Pension Plans Act (R.S.Q., chapter R-15.1) relating to a pension plan to which Chapter X of that Act applies and to which an employer in the pulp and paper sector is a party, provide by regulation that members and beneficiaries of the pension plan may request that they receive benefits as a pension paid out of the assets administered by the Régie des rentes du Québec under section 230.0.0.4 of that Act without the plan having been amended to allow for the withdrawal of the employer who is a party to the plan or without the plan having been terminated, when

(1) the employer who is a party to the plan is, as part of the restructuring of the enterprise, bound by an agreement with the Government to, among other things, maintain the plan;

(2) on the date of the agreement, the employer is subject to an order or judgment, dated prior to 1 January 2012, under the Companies’ Creditors Arrangement Act (Revised Statutes of Canada, 1985, chapter C-36) or Part III of the Bankruptcy and Insolvency Act (Revised Statutes of Canada, 1985, chapter B-3); and

(3) if the plan terminated on the date of the agreement, the assets would not be sufficient to pay all the benefits of the members and beneficiaries.

In that case, subdivision 4.0.1 of Division II of Chapter XIII of the Supplemental Pension Plans Act applies to the extent and with the adaptations provided by regulation. The regulation may concern only the members and

beneficiaries to whom a pension is paid on the date it specifies or it may also concern those who, on the same date, would have been entitled to the payment of a pension if they had applied for it. The regulation may also provide rules that differ from those determined by the regulation made under section 230.0.0.11 of that Act, in particular with respect to the method of determining the value of the benefits accrued to the affected members and beneficiaries, the options available to those members and beneficiaries and the time limits that apply to the exercise of their options and the payment of their benefits.

A regulation made under this section or under section 2 of the Supplemental Pension Plans Act with respect to a plan to which this section applies is not subject to the publication requirement or the requirement as regards its date of coming into force set out in sections 8 and 17 of the Regulations Act (R.S.Q., chapter R-18.1) and may, if it so provides, have retroactive effect to a date that is prior to the date of its publication but not prior to 31 December 2008.

**4.** The new provisions of section 123 of the Supplemental Pension Plans Act, amended by section 2, apply to actuarial valuations undertaken after 30 December 2010 and on which reports are filed with the Régie des rentes du Québec after (*insert the date of introduction of this bill*).

**5.** The obligation to pay an amortization payment, deferred to 31 March 2011 by section 6 of the Act to amend various provisions respecting supplemental pension plans, particularly concerning payment options in the event of an employer's insolvency (2010, chapter 41), is again deferred until a regulation referred to in the third paragraph of section 3 determines the methods for financing the pension plans in respect of which the obligation applies.

The first paragraph has effect from 31 March 2011.

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