



NATIONAL ASSEMBLY

FIRST SESSION

FORTY-FIRST LEGISLATURE

Bill 97
(2016, chapter 14)

**An Act to amend certain Acts
establishing pension plans applicable to
public sector employees**

**Introduced 11 May 2016
Passed in principle 18 May 2016
Passed 8 June 2016
Assented to 8 June 2016**

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EXPLANATORY NOTES

The Act amends certain Acts establishing public sector pension plans to allow plan members to accumulate, for each year of service completed as of 2017, additional years of service credited over and above the 38 years of service used to calculate the pension, up to a maximum of 40 years.

It also allows employees to use all or part of their accumulated sick leave, if provided for in their conditions of employment, to pay the cost of redeeming years of service.

In addition, the Act respecting the Government and Public Employees Retirement Plan is amended to allow employees who are at least 60 years of age to retire without actuarial reduction if the sum of their age and their years of service is 90 or more, to establish an eligibility criterion for retirement without actuarial reduction at 61 years of age, and to increase the actuarial reduction applicable to the pension of employees who retire at 55 years of age without having met an eligibility criterion for retiring without actuarial reduction.

Lastly, the Act makes consequential amendments and includes transitional and various provisions.

LEGISLATION AMENDED BY THIS ACT:

- Act respecting the Pension Plan of Certain Teachers (chapter R-9.1);
- Act respecting the Government and Public Employees Retirement Plan (chapter R-10);
- Act respecting the Teachers Pension Plan (chapter R-11);
- Act respecting the Civil Service Superannuation Plan (chapter R-12);
- Act respecting the Pension Plan of Management Personnel (chapter R-12.1).

Bill 97

AN ACT TO AMEND CERTAIN ACTS ESTABLISHING PENSION PLANS APPLICABLE TO PUBLIC SECTOR EMPLOYEES

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

ACT RESPECTING THE PENSION PLAN OF CERTAIN TEACHERS

1. Section 22 of the Act respecting the Pension Plan of Certain Teachers (chapter R-9.1) is amended by replacing all occurrences of “76%” in the first paragraph by “80%”.

ACT RESPECTING THE GOVERNMENT AND PUBLIC EMPLOYEES RETIREMENT PLAN

2. Section 19 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) is amended by replacing “38” in the first paragraph by “40”.

3. Section 23 of the Act is amended by replacing “38” by “40”.

4. Section 26 of the Act is amended by inserting “or, if provided for in the employee’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “Retraite Québec” in the first paragraph.

5. Section 28 of the Act is amended by inserting “or, if provided for in the employee’s conditions of employment, by using all or part of her accumulated sick leave. In the latter case, her employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec” in the fourth paragraph.

6. Section 29 of the Act is amended by replacing “38” in the third paragraph by “40”.

7. Section 33 of the Act is amended, in the first paragraph,

(1) by replacing “60” in subparagraph 1 by “61”;

(2) by inserting the following subparagraph after subparagraph 2:

“(2.1) has a combined total of age and service of 90 or more and is at least 60 years of age;”.

8. Section 34.2 of the Act is amended by replacing “38” in the second paragraph by “40”.

9. Section 38 of the Act is amended by replacing “1/3” in the first paragraph by “1/2”.

10. Section 59.5 of the Act is amended by inserting “or, if provided for in the employee’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec” in the second paragraph.

11. Section 59.6 of the Act is amended by inserting “or, if provided for in the employee’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec” in the second paragraph.

12. Section 59.6.0.1 of the Act is amended by inserting “or, if provided for in the employee’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec” in the second paragraph.

13. Section 59.6.0.2 of the Act is amended by inserting “or, if provided for in the employee’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec” in the second paragraph.

14. Section 85.3 of the Act is amended by inserting “or, if provided for in the employee’s conditions of employment, by using all or part of her accumulated sick leave. In the latter case, her employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec” in the fourth paragraph.

15. Section 109.4 of the Act is amended by replacing “in a lump sum” in the fifth paragraph by “in a lump sum or, if provided for in the employee’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec”.

16. Section 109.9 of the Act is amended by inserting “or, if provided for in the employee’s conditions of employment, by using all or part of his accumulated

sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec” in the fourth paragraph.

17. Section 114.1 of the Act is amended by inserting “or, if provided for in the employee’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “Retraite Québec” in the third paragraph.

18. Section 115 of the Act is amended by inserting the following paragraph after the second paragraph:

“The amount established under the second paragraph is payable in a lump sum or, if provided for in the employee’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec.”

19. Section 115.2 of the Act is amended by inserting “or, if provided for in the employee’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec”.

20. Section 115.10.2 of the Act is amended by inserting “or, if provided for in the employee’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec”.

21. Section 115.10.5 of the Act is amended by inserting “or, if provided for in the employee’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec”.

22. Section 115.10.7 of the Act is amended by inserting “or, if provided for in the employee’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec”.

ACT RESPECTING THE TEACHERS PENSION PLAN

23. Section 16 of the Act respecting the Teachers Pension Plan (chapter R-11) is amended by replacing “38” in the first paragraph by “40”.

24. Section 20 of the Act is amended by replacing “38” by “40”.

25. Section 22 of the Act is amended by adding the following sentences at the end of the third paragraph: “The teacher may also, if provided for in his conditions of employment, use all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec.”

26. Section 23 of the Act is amended by inserting “or, if provided for in the teacher’s conditions of employment, by using all or part of her accumulated sick leave. In the latter case, her employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec” in the third paragraph.

27. Section 26 of the Act is amended by replacing the first paragraph by the following paragraph:

“A teacher may pay the amount required for the redemption of years during which he was a Member in a lump sum or, if provided for in the teacher’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec.”

28. Section 28.2 of the Act is amended by replacing “38” by “40”.

29. Section 28.3 of the Act is amended by inserting “or, if provided for in the teacher’s conditions of employment, by using all or part of her accumulated sick leave. In the latter case, her employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec” in the third paragraph.

30. Section 28.5 of the Act is amended by replacing “38” by “40”.

31. Section 29 of the Act is amended by replacing “38” in the second paragraph by “40”.

32. Section 33.2 of the Act is amended by replacing “38” in the second paragraph by “40”.

ACT RESPECTING THE CIVIL SERVICE SUPERANNUATION PLAN

33. Section 58 of the Act respecting the Civil Service Superannuation Plan (chapter R-12) is amended by replacing “38” in the first paragraph by “40”.

34. Section 60.1 of the Act is amended by replacing “38” by “40”.

35. Section 62.4 of the Act is amended by replacing “38” in the second paragraph by “40”.

36. Section 66.2 of the Act is amended by adding the following sentences at the end of the third paragraph: “The officer may also, if provided for in his conditions of employment, use all or part of his accumulated sick leave. In the latter case, the officer’s employer shall pay all or part of the amount according to the terms determined by Retraite Québec.”

37. Section 69 of the Act is amended by replacing “38” in the second paragraph by “40”.

38. Section 90 of the Act is amended by inserting the following paragraph after the third paragraph:

“The amount established under the second or third paragraph is payable in a lump sum or, if provided for in the officer’s conditions of employment, by using all or part of his accumulated sick leave. In the latter case, his employer shall pay all or part of the amount according to the terms determined by Retraite Québec.”

39. Section 99.6 of the Act is amended by replacing “38” by “40”.

40. Section 99.7 of the Act is amended by inserting “or, if provided for in the officer’s conditions of employment, by using all or part of her accumulated sick leave. In the latter case, her employer shall pay all or part of the amount according to the terms determined by Retraite Québec” after “determined by Retraite Québec” in the third paragraph.

41. Section 99.9 of the Act is amended by replacing “38” by “40”.

ACT RESPECTING THE PENSION PLAN OF MANAGEMENT PERSONNEL

42. Section 49 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1) is amended, in the second paragraph,

(1) by replacing “60” in subparagraph 1 by “61”;

(2) by inserting the following subparagraph after subparagraph 2:

“(2.1) has attained 60 years of age and has a combined total of age and service of 90 or more;”.

43. Section 56 of the Act is amended

(1) by replacing the first paragraph by the following paragraphs:

“Where an employee is entitled to a pension under subparagraph 4 of the first paragraph of section 49, the employee’s pension is reduced for its duration by 1/3 of 1% per month, computed for each month comprised between the date on which the pension is granted and the nearest date on which the pension would have otherwise been granted to the employee without actuarial reduction,

at the time the employee ceased to be a member of the plan, under the first paragraph.

Where an employee is entitled to a pension under subparagraph 3 of the second paragraph of that section, the employee's pension is reduced for its duration by 1/2 of 1% per month, computed for each month comprised between the date on which the pension is granted and the nearest date on which the pension would have otherwise been granted to the employee without actuarial reduction, at the time the employee ceased to be a member of the plan, under the second paragraph.”;

(2) by replacing “under the first paragraph” in the second paragraph by “under the first or second paragraph”.

MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

44. For the purposes of the provision amended by section 1 of this Act, the percentage that exceeds 76% must be in relation to the years of service credited that are subsequent to 2016 and over and above 38 years of service used to compute the pension.

For the purposes of the provisions amended by sections 2, 3, 6, 8, 23, 24, 28, 30 to 35, 37, 39 and 41 of this Act, the years of service credited over and above 38 years of service used to compute the pension must be subsequent to 2016.

45. Sections 33 and 38 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10), as they read on 30 June 2019, continue to apply to employees who are parties to a progressive retirement agreement referred to in section 85.5.1 of that Act, provided the application period of that agreement began before 11 May 2016.

Those provisions also continue to apply to employees who are parties to a progressive retirement agreement referred to in section 85.5.1 of that Act, provided the application period of that agreement began after 10 May 2016 but before 8 September 2016 and provided the agreement stipulates a reduction of their working time of at least 20% of the regular service of full-time employees in such employment.

This section also applies to a person described in the last paragraph of that section 85.5.1.

46. The second paragraph of section 49 and section 56 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1), as they read on 30 June 2019, continue to apply to employees referred to in the fourth paragraph of section 10 of that Act who did not complete the additional 60-month period of membership in the Pension Plan of Management Personnel and who are parties to a progressive retirement agreement referred to in section 133 of that Act, provided the application period of that agreement began before 11 May 2016.

Those provisions also continue to apply to such employees who are parties to a progressive retirement agreement referred to in section 133 of that Act, provided the application period of that agreement began after 10 May 2016 but before 8 September 2016 and provided the agreement stipulates a reduction of their working time of at least 20% of the regular service of full-time employees in such employment.

This section also applies to a person described in the last paragraph of that section 133.

47. Section 38 of the Act respecting the Government and Public Employees Retirement Plan, as it reads on 30 June 2020, continues to apply to employees who cease to participate in the Government and Public Employees Retirement Plan before 1 July 2020, except if such employees are referred to in section 49 of this Act.

48. Section 56 of the Act respecting the Pension Plan of Management Personnel, as it reads on 30 June 2020, continues to apply to employees referred to in the fourth paragraph of section 10 of that Act who did not complete the additional 60-month period of membership in the Pension Plan of Management Personnel and who cease to participate in that plan before 1 July 2020, except if such employees are referred to in section 50 of this Act.

49. Section 33 of the Act respecting the Government and Public Employees Retirement Plan, as it reads on 30 June 2019, continues to apply to employees referred to in the second paragraph of section 3.1 of that Act if their last day of pensionable employment under the Government and Public Employees Retirement Plan is before 1 July 2019.

Section 38 of that Act, as it reads on 30 June 2020, continues to apply to employees referred to in the second paragraph of section 3.1 of that Act if their last day of pensionable employment under the Government and Public Employees Retirement Plan is before 1 July 2020.

50. The second paragraph of section 49 of the Act respecting the Pension Plan of Management Personnel, as it reads on 30 June 2019, continues to apply to employees referred to in the first paragraph of section 9 of that Act, who are also referred to in the fourth paragraph of section 10 of that Act and did not complete the additional 60-month period of membership in the Pension Plan of Management Personnel, if their last day of pensionable employment under that plan is before 1 July 2019.

Section 56 of that Act, as it reads on 30 June 2020, continues to apply to employees referred to in the first paragraph of section 9 of that Act, who are also referred to in the fourth paragraph of section 10 of that Act and did not complete the additional 60-month period of membership in the Pension Plan of Management Personnel, if their last day of pensionable employment under that plan is before 1 July 2020.

51. After 16 September 2003 and until the date of coming into force of the first amendment made by the Government after 8 June 2016 to the Special provisions in respect of classes of employees designated under section 23 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1, r. 2), the amount of the benefit payable to persons who have never belonged to a class referred to in paragraphs 1 to 11 of Schedule II to those special provisions and for whom the Government and Public Employees Retirement Plan was the last pension plan of which they were members before becoming subject to these special provisions is valid provided the amount is calculated considering the Government and Public Employees Retirement Plan as the former pension plan for the purposes of sections 13, 16, 17, 19, 26, 27 and 28 of those special provisions.

52. Sections 4, 5, 10 to 22, 25 to 27, 29, 36, 38, 40, 51 and 52 come into force on 8 June 2016.

Sections 1 to 3, 6, 8, 23, 24, 28, 30 to 35, 37, 39, 41 and 44 come into force on 1 January 2017.

Sections 7, 42, 45, 46 and the first paragraph of sections 49 and 50 come into force on 1 July 2019.

Sections 9, 43, 47, 48 and the second paragraph of sections 49 and 50 come into force on 1 July 2020.

