



NATIONAL ASSEMBLY

FIRST SESSION

FORTIETH LEGISLATURE

Bill 32
(2013, chapter 9)

**An Act to amend the Act respecting the
Pension Plan of Peace Officers in
Correctional Services and other
legislative provisions**

**Introduced 21 March 2013
Passed in principle 17 April 2013
Passed 22 May 2013
Assented to 23 May 2013**

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EXPLANATORY NOTES

This Act amends the Act respecting the Pension Plan of Peace Officers in Correctional Services with respect to the financing and governance structure of the pension plan established by that Act. More specifically, the amendments deal with the creation, at the Caisse de dépôt et placement du Québec, of the employees' contribution fund under the plan and the employers' contributory fund, the creation of a pension committee, the modification of the apportionment of the cost of the plan and the possibility of revising annually the basic rate of contribution applicable to the plan.

The Act respecting the Commission administrative des régimes de retraite et d'assurances is amended to provide for the manner in which the administrative expenses related to the plan are paid.

Lastly, various consequential and transitional amendments are introduced.

LEGISLATION AMENDED BY THIS ACT:

- Public Administration Act (chapter A-6.01);
- Act respecting the Caisse de dépôt et placement du Québec (chapter C-2);
- Act respecting the Commission administrative des régimes de retraite et d'assurances (chapter C-32.1.2);
- 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).

Bill 32

AN ACT TO AMEND THE ACT RESPECTING THE PENSION PLAN OF PEACE OFFICERS IN CORRECTIONAL SERVICES AND OTHER LEGISLATIVE PROVISIONS

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

ACT RESPECTING THE PENSION PLAN OF PEACE OFFICERS IN CORRECTIONAL SERVICES

1. Section 20 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2) is amended

(1) by replacing “185.19%” in the second paragraph by “217.39%”;

(2) by replacing “section 42 and” in the second paragraph by “section 42, 100% of which represents the employee contribution and 117.39% of which represents the employer contribution, and an amount equal to”.

2. Section 26 of the Act is amended

(1) by replacing “determined for each period in Schedule VII to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” in the fourth paragraph by “given for each period in Schedule III”;

(2) by replacing “determined in Schedule VII” in the fourth paragraph by “determined in Schedule III”.

3. Section 29 of the Act is amended by replacing “Schedule VI to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” in the third paragraph by “Schedule II”.

4. Section 30 of the Act is amended by replacing “Schedule VII to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” in the second paragraph by “Schedule III”.

5. Section 33 of the Act is amended by replacing “Schedule VI to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” in the second paragraph by “Schedule II”.

6. Section 34 of the Act is amended by replacing “Schedule VI to the Act respecting the Government and Public Employees Retirement Plan to the date the application is received at the Commission and at the rate determined in

Schedule VII to that Act” in the second paragraph by “Schedule II to this Act to the date the application is received at the Commission and at the rate determined in Schedule III”.

7. Section 36 of the Act is amended

(1) by replacing “Schedule VI to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” in the second paragraph by “Schedule II to this Act”;

(2) by replacing “Schedule VII to that Act” in the second paragraph by “Schedule III”.

8. Section 40 of the Act is amended by replacing “Schedule VI to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) to the date the application is received at the Commission and at the rate determined in Schedule VII to that Act” in the fourth paragraph by “Schedule II to this Act to the date the application is received at the Commission and at the rate determined in Schedule III”.

9. Section 41 of the Act is amended by replacing “Schedule VI to that Act to the date the application is received at the Commission and at the rate determined in Schedule VII to that Act” in the second paragraph by “Schedule II to this Act to the date the application is received at the Commission and at the rate determined in Schedule III”.

10. Section 41.8 of the Act is amended

(1) by replacing “determined for each period in Schedule VII to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) from the first day of the month following the date on which the actuarial values are established to the date the transfer application is received at the Commission, and at the rate determined in Schedule VII” in the third paragraph by “given for each period in Schedule III from the first day of the month following the date on which the actuarial values are established to the date the transfer application is received at the Commission, and at the rate determined in that Schedule III”;

(2) by replacing “determined in Schedule VII to the Act respecting the Government and Public Employees Retirement Plan” in the fourth paragraph by “given in Schedule III”.

11. Section 41.12 of the Act is amended by replacing “Schedule VI to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” in the third paragraph by “Schedule II”.

12. The Act is amended by inserting the following section after section 43.3:

“43.4. The Minister of Finance shall determine the amounts that could, from year to year and at prescribed periods, be capitalized to take into account undertakings or guarantees of the Government with respect to this Act. The amounts so capitalized are drawn from the Consolidated Revenue Fund.”

13. Section 66.2 of the Act is repealed.

14. Section 66.6 of the Act is repealed.

15. Section 66.7 of the Act is amended by replacing “sections 66.5 and 66.6” at the end of the first paragraph by “section 66.5”.

16. Section 67 of the Act is amended by replacing “Schedule VI to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) until the date the application is received at the Commission and at the rate determined in Schedule VII to that Act” in the first paragraph by “Schedule II to the date the application is received at the Commission and at the rate determined in Schedule III”.

17. Section 70 of the Act is amended by replacing “Schedule VI to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) until the date of death and at the rate determined in Schedule VII to that Act” by “Schedule II until the date of death and at the rate determined in Schedule III”.

18. Section 70.1 of the Act is amended by replacing “Schedule VI to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) until the date of death and at the rate determined in Schedule VII to that Act” by “Schedule II until the date of death and at the rate determined in Schedule III”.

19. Section 72 of the Act is amended by replacing the first paragraph by the following paragraph:

“72. Subject to section 73, contributions are refunded with interest, compounded annually, at the rates given for each period in Schedule II to the date determined in each of the relevant sections and at the rate determined in Schedule III, in force on that date, unless otherwise provided, from the day following that date. Contributions accrued with interest during the period of application of the rates determined in Schedule II may not be less than the contributions.”

20. Section 74 of the Act is amended

(1) by replacing “Schedule VII to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” in the first paragraph by “Schedule III”;

(2) by replacing “Schedule VI to that Act” at the end of the first paragraph by “Schedule II”.

21. Section 74.0.1 of the Act is amended

(1) by replacing “determined for each period in Schedule VI to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” in the first paragraph by “given for each period in Schedule II”;

(2) by replacing the second paragraph by the following paragraphs:

“The rates of interest in Schedule II are determined according to the rules and procedures determined by regulation for the period indicated and the rates of return on certain categories of amounts referred to in section 134 and designated by the regulation. The rates of interest in Schedule III are determined according to the rules and procedures determined by regulation for the period indicated and an external index designated by the regulation. The Chair of the Conseil du trésor publishes in the *Gazette officielle du Québec* the rates of interest determined under those regulations, and the amendments to the schedules resulting from the new rates are integrated into the Compilation of Québec Laws and Regulations.

The applicable rates determined in Schedule II are the rates determined for each period according to the period of application of those rates provided for in the relevant sections. The applicable rate determined in Schedule III is the rate in force on the day that precedes the date the period of application of that rate begins as provided in the relevant sections, unless otherwise provided.”

22. Section 74.1 of the Act is amended by replacing “Schedule VII to the Act respecting the Government and Public Employees Retirement Plan” in the third paragraph by “Schedule III”.

23. Section 74.6 of the Act is amended by replacing “Schedule VI to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) from the date the refund is paid to the date the application is received at the Commission and at the rate determined in Schedule VII to that Act” in the first paragraph by “Schedule II from the date the refund is paid to the date the application is received at the Commission and at the rate determined in Schedule III”.

24. Section 74.7 of the Act is amended by replacing “Schedule VI to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10), for each year, from the midpoint of the period during which the employee would have paid contributions if the employee had been a member of this plan during that year to the date the application is received at the Commission and at the rate determined in Schedule VII to that Act” in the first paragraph by “Schedule II, for each year, from the midpoint of the period during which the employee would have paid contributions if the employee had been a member of this plan during that year to the date the application is received at the Commission and at the rate determined in Schedule III”.

25. Section 126 of the Act is replaced by the following section:

“126. Once every three years, the pension committee established under section 139.3 shall require the Commission to cause an actuarial valuation of the plan to be prepared by the actuaries designated by the Commission. If no such request is made, the Commission shall cause the actuarial valuation to be prepared if more than three years have elapsed since the last valuation.

The committee shall send the actuarial valuation to the Minister within 90 days after receiving it.

The committee may request an independent actuary to report, within 30 days of his or her appointment, on the validity of the assumptions used for the actuarial valuation. In such a case, the committee shall send the report and the actuarial valuation to the Minister within 90 days after receiving the report.”

26. Section 127 of the Act is amended by replacing the first paragraph by the following paragraph:

“127. For the years of service subsequent to 2012, the cost of the plan is shared in the proportion of 46% for the employees and 54% for the employer.”

27. Section 128 of the Act is replaced by the following section:

“128. The Government may, by regulation, revise the rate of contribution applicable to the plan from 1 January of each year on the basis of the result of the actuarial valuation referred to in the first paragraph of section 126.”

28. Section 130 of the Act is amended

(1) by replacing “The Government” in the introductory clause by “After the Commission has consulted the pension committee established under section 139.3, the Government”;

(2) by inserting the following paragraph after paragraph 7.3.1:

“(7.3.1.1) for the purposes of section 74.0.1, determine for a given period the rules and procedures for determining the rates of interest in Schedule II according to the rates of return on certain categories of amounts referred to in section 134 and designated by the regulation, and the rules and procedures for determining the rates of interest in Schedule III according to an external index designated by the regulation;”;

(3) by replacing “contribution rates” in paragraph 9 by “contribution rate”;

(4) by striking out paragraph 12;

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

“For the purposes of the consultation provided for in the first paragraph, draft regulations must be submitted to the pension committee at least 30 days before they are adopted, together with a report describing their effects.”

29. The heading of Chapter VIII of the Act is amended by replacing “TRANSFER OF FUNDS” by “FUNDS OF THE PLAN”.

30. Section 132.1 of the Act is amended by replacing “reexamination committee or” in the fourth paragraph by “pension committee established under section 139.3 or an”.

31. Section 132.1.1 of the Act is amended

(1) by striking out “to the Commission” in the first sentence of the first paragraph;

(2) by replacing “review committee or” in the first paragraph by “pension committee established under section 139.3 or the”;

(3) by replacing “provided for in Schedule VII to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” in the second paragraph by “given in Schedule III”.

32. The Act is amended by inserting the following division after section 133:

“DIVISION I.1

“FUNDS OF THE PLAN

“§1. — *Investment of funds*

“133.1. The employees’ contribution fund under this plan is established at the Caisse de dépôt et placement du Québec. The employers’ contributory fund in respect of employees covered by this plan is also established at the Caisse.”

33. Section 134 of the Act is replaced by the following sections:

“134. The Commission shall deposit into the funds established under section 133.1

(1) the funds derived from the contributions deducted from the salary of the employees or paid in their stead by the employer or the insurer;

(2) the sums paid by the employees to redeem service;

(3) the funds transferred to the Commission under agreements respecting this plan and entered into under section 133;

(4) the contributory amounts paid by the employers under sections 42.2 to 43.1; and

(5) the sums paid by the insurer under section 20.

The funds derived from the contributions deducted from the salary of the employees under the third paragraph of section 42 are deposited into the employers' contributory fund.

However, the Commission shall, according to the standards determined by the Government, withhold the part of those amounts it expects to need immediately for the payments it is required to make during the period determined by the Government.

“§2. — *Terms and conditions of the payment of benefits*

“**134.1.** The payment of benefits due as pensions, pension credits, refunds or additional benefit and the payment of the sums necessary in respect of transfers are made by the Commission.

The sums necessary for such payments are taken, first, out of the sums withheld by the Commission under section 134, and thereafter, out of the sums paid to the Caisse de dépôt et placement du Québec,

(1) in a proportion of 54% out of the employees' contribution fund and 46% out of the employers' contributory fund for the years of service prior to 1 January 2013; and

(2) in a proportion of 46% out of the employees' contribution fund and 54% out of the employers' contributory fund for the years of service subsequent to 31 December 2012.

“**134.2.** Despite section 134.1, the sums necessary for the payment of a pension credit acquired under section 41.1 are taken out of the Consolidated Revenue Fund.

“**134.3.** Despite section 134.1, the sums necessary for the payment of the supplementary benefits due as a pension, provided for in section 66.4, are taken out of the employees' contribution fund at the Caisse de dépôt et placement du Québec.

“**134.4.** If the employers' contributory fund is exhausted, the sums necessary for the payments referred to in section 134.1 are taken, first, out of the funds capitalized under section 43.4 and, thereafter, out of the Consolidated Revenue Fund.”

34. Section 135 of the Act is amended by replacing “Consolidated Revenue Fund” in the first paragraph by “employees' contribution fund under this plan at the Caisse de dépôt et placement du Québec”.

35. Section 136 of the Act is amended

(1) by replacing “consolidated revenue fund” in the first paragraph by “relevant funds under this plan, at the Caisse de dépôt et placement du Québec”;

(2) by striking out “to the consolidated revenue fund” in the second paragraph;

(3) by adding the following sentence at the end of the second paragraph: “The sums are paid to the Caisse, into the funds and in the proportions determined under the second paragraph of section 134.1.”

36. Section 137 of the Act is amended by inserting “taken out of the relevant funds at the Caisse de dépôt et placement du Québec according to the procedure for the payment of benefits contained in Division I.1 of Chapter VIII, to be” after “The sums are” in the second sentence of the second paragraph.

37. Section 139 of the Act is amended

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

“139. When the transfer of years and parts of a year of service is cancelled under section 25, the Commission must transfer the sums that were initially deposited in the Caisse de dépôt et placement du Québec in accordance with sections 138 and 138.1, as they read before 1 January 2005, into the relevant funds of this plan at the Caisse as though sections 138 and 138.1 had not applied. These sums bear interest in accordance with the Government and Public Employees Retirement Plan or the Pension Plan of Management Personnel from the date they were initially deposited until the date they are transferred. The sums are paid to the Caisse, into the funds and in the proportions determined under the second paragraph of section 134.1.”;

(2) by replacing everything after “1 January 2005,” in the second paragraph by “and that were transferred into the relevant funds of this plan at the Caisse de dépôt et placement du Québec as though sections 135 to 136.1 had not applied. These sums bear interest in accordance with this plan from the date they were initially deposited until the date they are deposited in the Caisse de dépôt et placement du Québec.”

38. Section 139.1 of the Act is amended

(1) by replacing “Except in the case of an officer who has sent the Commission a notice under section 67.1 of the Police Act (chapter P-13.1), with” at the beginning of the first paragraph by “With”;

(2) by striking out “after 31 December 2006” in the first paragraph;

(3) by replacing “Consolidated Revenue Fund” in the first paragraph by “Caisse de dépôt et placement du Québec”;

(4) by striking out “ in the Consolidated Revenue Fund” in the second paragraph;

(5) by adding the following sentence at the end of the second paragraph: “The sums are paid to the Caisse, into the funds and in the proportions determined under the second paragraph of section 134.1.”

39. Section 139.2 of the Act is amended

(1) by replacing “Except in the case of an officer who has sent the Commission a notice under section 67.1 of the Police Act (chapter P-13.1), with” at the beginning of the first paragraph by “With”;

(2) by striking out “after 31 December 2006” in the first paragraph;

(3) by adding the following sentence at the end of the second paragraph: “The sums are taken out of the relevant funds at the Caisse de dépôt et placement du Québec according to the procedure for the payment of benefits contained in Division I.1 of Chapter VIII.”

40. The Act is amended by inserting the following chapter after section 139.2:

“CHAPTER VIII.1

“PENSION COMMITTEE

“139.3. The pension committee of the Pension Plan of Peace Officers in Correctional Services is hereby established.

“139.4. The pension committee is composed of a chair and 10 other members appointed by the Government for a term of up to three years, as follows:

(1) five members representing the employees and pensioners, including

(a) three from the Syndicat des agents de la paix en services correctionnels du Québec, appointed after consultation with the Syndicat;

(b) one person referred to in paragraph 3 of section 1, appointed after consultation with the associations and groups representing those employees; and

(c) one pensioner under the Pension Plan of Peace Officers in Correctional Services, appointed after consultation with the unions, associations and groups representing the employees under the plan; and

(2) five members representing the Government.

The chair of the committee is appointed by the Government, for a term not exceeding three years, after consultation with the committee members. The chair of the committee must be independent and sections 12 to 18 of the Act respecting the Commission administrative des régimes de retraite et d'assurances (chapter C-32.1.2) apply to the chair, with the necessary modifications.

“139.5. The functions of the committee include

(1) reexamining, on request, the decisions made by the Commission in respect of employees and beneficiaries under the plan;

(2) determining the conditions of implementation of the agreements entered into if no such conditions have been determined, to the extent that the costs of those conditions are consistent with the Commission's budget;

(3) establishing, jointly with the Caisse de dépôt et placement du Québec, an investment policy in respect of funds derived from contributions paid by employees under the plan;

(4) approving the financial statements of the pension plan within 30 days after the recommendation of the audit committee of the Commission's board of directors;

(5) receiving for examination the Commission's annual action plan for the pension plan, and reporting on it to the Commission;

(6) receiving for examination the actuarial valuation for the plan and requesting from the Commission any additional information it considers relevant;

(7) recommending to the Minister the contribution rates applicable;

(8) recommending to the Government the adoption of regulations related to the pension plan; and

(9) establishing a financing policy with respect to the employees' contribution fund under the plan.

For the purposes of subparagraph 4 of the first paragraph, the financial statements of the plan must be signed by two members of the committee, one from the Syndicat des agents de la paix en services correctionnels du Québec and the other representing the Government. If the financial statements are not approved by the committee within the time prescribed in that subparagraph, the Commission's board of directors is responsible for approving them.

“139.6. The committee may request that the Commission carry out studies on the administration of the plan.

The committee may also request that the Commission provide additional services to employees and beneficiaries under the plan and determine the manner in which the resulting administrative expenses are to be shared by the employees and the Government, without more than 54% of those expenses being borne by the Government.

“139.7. The committee may, within the scope of its functions, commission independent studies and hire the services of an independent actuary, particularly to obtain a report for the purposes of the third paragraph of section 126.

The fees and expenses of the independent actuary are to be paid by the Commission. The cost of commissioning independent studies is shared according to the apportionment of the cost of the plan.

“139.8. The committee may make recommendations on the application of the plan to the Government, to the associations representing the employees covered by the plan, to the Commission and to the Minister.

“139.9. At the expiry of their term, the members of the committee remain in office until they are replaced or reappointed.

A vacancy occurring during a term of office is filled in the manner prescribed for appointing the member to be replaced.

“139.10. If the chair of the committee is absent or unable to act, the chair of the pension committee established under section 163 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) replaces the chair of the committee temporarily.

“139.11. The members of the committee, other than the chair, are not remunerated.

However, the members of the committee are entitled, according to the standards established by the Government, to an attendance allowance and to the reimbursement of justifiable expenses incurred in the exercise of their functions. The Government determines the remuneration of the chair.

“139.12. Each member of the committee is entitled to one vote. The chair is not entitled to vote unless there is a tie vote. The chair may not vote at all on a resolution concerning

- (1) additional services requested by the pension committee under the second paragraph of section 139.6;
- (2) a mandate to be given to a consultant hired to advise the committee;
- (3) the approval of the financial statements of the plan; or

(4) any matter entailing an increase in the cost of the plan or a budget overrun for the Commission.

In addition, any decision of the pension committee concerning the investment policy, the financing policy, the regulations, including the rates of interest applicable, or the selection of the chair must be made by a majority of the members present, including two members from the Syndicat des agents de la paix en services correctionnels du Québec.

“139.13. The secretary of the Commission is secretary of the committee by virtue of office.

“139.14. The committee may make by-laws.

The by-laws only come into force after being approved by the Government.

“139.15. The minutes of the sittings of the committee, approved by it and certified by the chair, the secretary or any other person authorized to do so by the committee, are authentic.

Similarly, documents or copies emanating from the committee are authentic, if certified in the same manner.

“139.16. The committee may delegate all or part of its powers under subparagraphs 1 and 3 of the first paragraph of section 139.5 to subcommittees.

A subcommittee to which the powers under subparagraph 1 of the first paragraph of section 139.5 are delegated is composed of four persons appointed by the committee, including two from the unions or associations representing the employees, on the recommendation of the union or association concerned. The committee may, in the same manner, appoint a substitute for each of these members, to replace them whenever they are absent or unable to act. Other terms respecting the composition of this subcommittee may be provided in a by-law.

A subcommittee to which the powers under subparagraph 3 of the first paragraph of section 139.5 are delegated is composed of two persons representing the Government and two persons representing the employees and beneficiaries covered by the plan, one of whom must be recommended by the Syndicat des agents de la paix en services correctionnels du Québec.

“139.17. The president and chief executive officer, the vice-presidents and the employees of the Commission may not sit on the committee.

“139.18. No proceedings may be brought against the pension committee, its subcommittees or their members by reason of an omission made or an act performed in good faith in the exercise of their functions.”

41. Section 140 of the Act is amended by replacing “to the Commission for a review of any decision rendered by it” in the first paragraph by “to the pension committee for a review of any decision rendered by the Commission”.

42. Section 141 of the Act is repealed.

43. Section 142 of the Act is amended

(1) by replacing “review committee” in the first and fourth paragraphs by “pension committee”;

(2) by replacing “comité” in the second sentence of the fourth paragraph in the French text by “Comité”.

44. Section 143 of the Act is amended by replacing “review committee” by “pension committee”.

45. Section 143.4 of the Act is amended

(1) by replacing “determined for each period in Schedule VII to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” in subparagraph 2 of the second paragraph by “given for each period in Schedule III”;

(2) by replacing “determined for each period in Schedule VI to that Act” in subparagraph 3 of the second paragraph by “given for each period in Schedule II”;

(3) by replacing “Schedule VII to the Act respecting the Government and Public Employees Retirement Plan” in the fourth paragraph by “Schedule III”.

46. Section 143.28 of the Act is amended by replacing “to the Consolidated Revenue Fund are deposited in that fund” in the last sentence by “are paid into the relevant funds of the plan at the Caisse de dépôt et placement du Québec”.

47. Section 147.5 of the Act is amended by replacing “provided for in Schedule VII to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” at the end by “given in Schedule III”.

48. The Act is amended by adding the following schedules after Schedule I:

“SCHEDULE II
“(Section 74.0.1)

“INTEREST RATES BASED ON THE RATES OF RETURN

“I. INTEREST RATES APPLICABLE UNTIL 31 MAY 2014 BASED ON
THE RATES OF RETURN ON CERTAIN FUNDS OF THE
GOVERNMENT AND PUBLIC EMPLOYEES RETIREMENT PLAN

Rate	Period
7.25%	1 July 1973 to 31 March 1975
9.04%	1 April 1975 to 30 April 1976
9.19%	1 May 1976 to 30 April 1977
9.62%	1 May 1977 to 30 April 1978
8.88%	1 May 1978 to 30 April 1979
9.47%	1 May 1979 to 30 April 1980
11.38%	1 May 1980 to 30 June 1981
10.61%	1 July 1981 to 30 April 1982
12.60%	1 May 1982 to 30 April 1983
11.02%	1 May 1983 to 30 April 1984
10.97%	1 May 1984 to 30 April 1985
10.81%	1 May 1985 to 30 April 1986
12.74%	1 May 1986 to 30 April 1987
12.78%	1 May 1987 to 30 April 1988
12.35%	1 May 1988 to 30 April 1989
9.33%	1 May 1989 to 31 July 1990
12.01%	1 August 1990 to 31 July 1991
7.92%	1 August 1991 to 31 July 1992
9.48%	1 August 1992 to 31 July 1993
7.22%	1 August 1993 to 31 July 1994

9.75%	1 August 1994 to 31 July 1995
7.05%	1 August 1995 to 31 July 1996
8.60%	1 August 1996 to 31 July 1997
12.15%	1 August 1997 to 31 July 1998
14.92%	1 August 1998 to 31 July 1999
14.30%	1 August 1999 to 31 July 2000
12.54%	1 August 2000 to 31 July 2001
21.00%	1 August 2001 to 31 July 2002
4.45%	1 August 2002 to 31 July 2003
-2.57%	1 August 2003 to 31 July 2004
-0.19%	1 August 2004 to 31 May 2005
5.20%	1 June 2005 to 31 May 2006
13.20%	1 June 2006 to 31 May 2007
12.95%	1 June 2007 to 31 May 2008
10.72%	1 June 2008 to 31 May 2009
-3.94%	1 June 2009 to 31 May 2010
-4.78%	1 June 2010 to 31 May 2011
-2.33%	1 June 2011 to 31 May 2012
9.09%	as of 1 June 2012

**“II. INTEREST RATES APPLICABLE AS OF 1 JUNE 2014
BASED ON THE RATE OF RETURN ON THE EMPLOYEES’
CONTRIBUTION FUND**

Rate	Period
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“SCHEDULE III
“(Section 74.0.1)

“INTEREST RATES BASED ON AN EXTERNAL INDEX

Rate	Period
5.34%	1 June 2001 to 31 July 2002
4.60%	1 August 2002 to 31 July 2003
3.50%	1 August 2003 to 31 July 2004
4.01%	1 August 2004 to 31 May 2005
3.67%	1 June 2005 to 31 May 2006
3.50%	1 June 2006 to 31 May 2007
4.10%	1 June 2007 to 31 May 2008
4.21%	1 June 2008 to 31 May 2009
2.96%	1 June 2009 to 31 May 2010
2.15%	1 June 2010 to 31 May 2011
2.21%	1 June 2011 to 31 May 2012
1.85%	1 June 2012 to 31 May 2013
1.30%	1 June 2013 to 31 May 2014”.

PUBLIC ADMINISTRATION ACT

49. Section 40 of the Public Administration Act (chapter A-6.01) is amended by striking out paragraph 1.

ACT RESPECTING THE CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC

50. Section 20 of the Act respecting the Caisse de dépôt et placement du Québec (chapter C-2) is amended by replacing subparagraph *c* of the first paragraph by the following subparagraph:

“(c) the Pension Plan of Peace Officers in Correctional Services established by the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2), the Pension Plan of Elected Municipal Officers established by the Act respecting the Pension Plan of Elected Municipal Officers (chapter R-9.3),

the Government and Public Employees Retirement Plan established by the Act respecting the Government and Public Employees Retirement Plan (chapter R-10), the Pension Plan of Management Personnel established by the Act respecting the Pension Plan of Management Personnel (chapter R-12.1) and the Superannuation Plan for the Members of the Sûreté du Québec established under the Act respecting the Syndical Plan of the Sûreté du Québec (chapter R-14).”

51. Section 21 of the Act is amended by replacing “of the plan contemplated by paragraph *c* of the said section, taking into account the general standards, if they have been prescribed, made by the pension committee in respect of the funds referred to in paragraph 2 of section 165 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10)” by “of the plans contemplated by subparagraph *c* of the first paragraph of that section, taking into account their respective investment policies established jointly by the pension committees and the Caisse for the funds of those plans”.

ACT RESPECTING THE COMMISSION ADMINISTRATIVE DES RÉGIMES DE RETRAITE ET D’ASSURANCES

52. The Act respecting the Commission administrative des régimes de retraite et d’assurances (chapter C-32.1.2) is amended by inserting the following section after section 59:

“**59.1.** The sums required to cover the administrative expenses related to the Pension Plan of Peace Officers in Correctional Services are taken

(1) in a proportion of 46% out of the employees’ contribution fund under the plan, at the Caisse de dépôt et placement du Québec; and

(2) in a proportion of 54% out of the employers’ contributory fund under the plan, at the Caisse de dépôt et placement du Québec, and then in accordance with section 134.4 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2).

However, the sums required to cover the expenses related to additional services offered to employees and beneficiaries under the plan are taken in the proportions determined by the pension committee in its request.

In addition, the sums required to cover the administrative expenses related to the development of the Commission’s information resources project entitled “Renouvellement et intégration des systèmes essentiels” are taken in full out of the Consolidated Revenue Fund.

The sums taken out of the Consolidated Revenue Fund are deemed to be contributions by the Government as employer with respect to that plan.”

53. Section 61 of the Act is amended by inserting “the Pension Plan of Peace Officers in Correctional Services,” after “Personnel,” in the first paragraph.

ACT RESPECTING THE GOVERNMENT AND PUBLIC EMPLOYEES
RETIREMENT PLAN

54. Section 134 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) is amended by replacing subparagraph 22.4 of the first paragraph by the following subparagraph:

“(22.4) for the purposes of section 217, determine for a given period the rules and procedures for determining the rates of interest in Schedule VI according to the rates of return on certain categories of amounts referred to in section 127 and designated by the regulation, and the rules and procedures for determining the rate of interest in Schedule VII according to an external index also designated by the regulation;”.

55. Section 191 of the Act is amended by inserting “, section 72 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2)” after “of this Act” in the last sentence of the second paragraph.

56. Section 214 of the Act is amended by replacing “section 163 of this Act and 196.2” in the first paragraph by “section 163 of this Act, section 139.3 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2) and section 196.2”.

57. Section 217 of the Act is amended by replacing the first and second paragraphs by the following paragraph:

“**217.** For the purposes of this Act and unless otherwise provided, the word “interest” used alone refers to interest compounded annually at the rates given for each period in Schedule VI. The rates of interest in Schedule VI are determined according to the rules and procedures determined by regulation for the period indicated and the rates of return on certain categories of amounts referred to in section 127 and designated by the regulation. The rates of interest in Schedule VII are determined according to the rules and procedures determined by regulation for the period indicated and an external index designated by the regulation. The Chair of the Conseil du trésor publishes in the *Gazette officielle du Québec* the rates of interest determined under those regulations, and the amendments to the schedules resulting from the new rates are integrated into the Compilation of Québec Laws and Regulations.”

58. Section 220 of the Act is amended by replacing “III, III.1, VI and VII” in the first paragraph by “III and III.1”.

ACT RESPECTING THE PENSION PLAN OF MANAGEMENT
PERSONNEL

59. Section 196 of the Act respecting the Pension Plan of Management Personnel (chapter R-12.1) is amended by replacing subparagraph 23.1 of the first paragraph by the following subparagraph:

“(23.1) for the purposes of section 204, determine for a given period the rules and procedures for determining the rates of interest in Schedule VII according to the rates of return on certain categories of amounts referred to in section 177 and designated by the regulation, and the rules and procedures for determining the rates of interest in Schedule VIII according to an external index designated by the regulation;”.

60. Section 196.5 of the Act is amended by adding the following subparagraph at the end of the first paragraph:

“(7) establishing a financing policy with respect to the employees’ contribution fund under the plan.”

61. Section 204 of the Act is amended by replacing the first and second paragraphs by the following paragraph:

“204. For the purposes of this Act and unless otherwise provided, the word “interest” used alone refers to interest compounded annually at the rates determined for each period in Schedule VII. The rates of interest in Schedule VII are determined according to the rules and procedures determined by regulation for the period indicated and the rates of return on certain classes of amounts referred to in section 177 and designated by the regulation. The rates of interest in Schedule VIII are determined according to the rules and procedures established by regulation for the period indicated and an external index designated by the regulation. The Chair of the Conseil du trésor publishes in the *Gazette officielle du Québec* the rates of interest determined under those regulations, and the amendments to the schedules resulting from the new rates are integrated into the Compilation of Québec Laws and Regulations.”

62. Section 207 of the Act is amended by replacing “VIII” in the first paragraph by “VI”.

MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

63. The sums that were paid into the Consolidated Revenue Fund for the members of the Pension Plan of Peace Officers in Correctional Services and that are entered in the financial statements of that plan as at 31 December 2012 as an asset identified as “Fonds confiés au Fonds consolidé du revenu” are transferred to the employees’ contribution fund under that plan at the Caisse de dépôt et placement du Québec, on the basis of the value entered in those financial statements for that asset.

These sums, excluding the value of the supplementary benefits and excluding the sums representing the interest accrued for the year 2012, are transferred in the following manner:

(1) a first transfer representing 25% of that value as at 31 December 2012, not later than 21 August 2013;

(2) a second transfer representing 25% of that value as at 31 December 2012, not later than 1 July 2014;

(3) a third transfer representing 25% of that value as at 31 December 2012, not later than 1 July 2015; and

(4) a fourth transfer representing 25% of that value as at 31 December 2012, not later than 1 July 2016.

Until the transfer of the sums is completed, the portion of the sums that is not transferred bears interest based on the rate of return on the employees' contribution fund of the Government and Public Employees Retirement Plan, determined according to the cost value. Any interest accrued during the year is transferred to the employees' contribution fund under the Pension Plan of Peace Officers in Correctional Services not later than 1 July of the following year.

The sums representing the interest accrued for the year 2012 and the sums representing the value of the supplementary benefits that are entered in the financial statements of that plan as at 31 December 2012 are transferred to the employees' contribution fund under that plan on 21 August 2013.

Until the transfer of the sums representing the value of the supplementary benefits is completed, they bear interest compounded annually and computed according to the rate of return obtained at the Caisse de dépôt et placement du Québec determined according to the cost value of the employees' contribution fund of the Government and Public Employees Retirement Plan. The interest accrued for the year 2013 with respect to these sums is transferred to the employees' contribution fund under the Pension Plan of Peace Officers in Correctional Services not later than 1 July 2014.

64. The rate of interest in Schedule II to the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2), for the period from 1 June 2013 to 31 May 2014, corresponds to the rate of interest determined for that period in Schedule VI to the Act respecting the Government and Public Employees Retirement Plan (chapter R-10). The Chair of the Conseil du trésor publishes that rate in the *Gazette officielle du Québec* and it is integrated into the Compilation of Québec Laws and Regulations.

65. The review committees set up under section 141 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2), as it read on 22 May 2013, are deemed to be subcommittees of the pension committee established under that Act to which the pension committee has delegated its powers under subparagraph 1 of the first paragraph of section 139.5 of that Act. The members of the review committees become members of the subcommittees.

66. Until a by-law is adopted by the pension committee of the Pension Plan of Peace Officers in Correctional Services and approved by the Government

in accordance with section 139.14 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2), section 8.4 of the Regulation under the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2, r. 1), as it read on 22 May 2013, continues to apply. Moreover, the quorum of each of the subcommittees referred to in section 139.16 of that Act, set up for the purposes of the powers provided for in subparagraph 1 of the first paragraph of section 139.5 of that Act, is four members, and every decision of a subcommittee requires the vote of a majority of its members.

67. The chair of the pension committee established under section 163 of the Act respecting the Government and Public Employees Retirement Plan (chapter R-10) acts as chair of the pension committee established under section 139.3 of the Act respecting the Pension Plan of Peace Officers in Correctional Services (chapter R-9.2) until the Government appoints a chair in accordance with the second paragraph of section 139.4 of that Act.

68. Sections 1, 12 to 14, 26, 29, 32 to 39, 46 and 50 to 53 have effect from 1 January 2013.

69. This Act comes into force on 23 May 2013, except sections 54, 57 to 59, 61 and 62, which come into force on 1 November 2013.

