

**2004**

## **CHAPTER 24**

An Act to amend *The Public Employees Pension Plan Act*

(Assented to June 10, 2004)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows:

**Short title**

**1** This Act may be cited as *The Public Employees Pension Plan Amendment Act, 2004*.

**S.S. 1996, c.P-36.2 amended**

**2** *The Public Employees Pension Plan Act* is amended in the manner set forth in this Act.

**Section 2 amended**

**3 Clause 2(a) is repealed and the following substituted:**

“(a) ‘**allocated investment earnings**’ means, with respect to the contributions made by or on behalf of a member, the amount calculated by the board, having regard to changes in the value of the assets of the fund and the revenue and other earnings accruing from the investment of the assets of the fund, and allocated for the purpose of determining the amount standing to the credit of a member”.

**New section 3**

**4 Section 3 is repealed and the following substituted:**

**“Board**

**3(1)** The Public Employees Pension Board is continued.

(2) The board shall administer this Act.

(3) A person who was a member of the board immediately before the coming into force of this section ceases to be a member of the board on the coming into force of this section unless the person is reappointed pursuant to subsection (4) or (5).

(4) The board consists of:

(a) the following persons who are appointed on behalf of employers:

(i) one person appointed by the Public Service Commission;

(ii) one person appointed by SaskEnergy, SaskPower and SaskTel;

(iii) one person appointed by the Saskatchewan Property Management Corporation, the Saskatchewan Institute of Applied Science and Technology and the Saskatchewan Liquor and Gaming Authority;

(iv) one person appointed by the Saskatchewan Crop Insurance Corporation, the Workers’ Compensation Board and the Saskatchewan Cancer Foundation;

- (b) the following persons who are appointed on behalf of employees:
    - (i) one person appointed by the Saskatchewan Government and General Employees' Union;
    - (ii) one person appointed by the Communications, Energy and Paperworkers Union of Canada;
    - (iii) one person appointed by the International Brotherhood of Electrical Workers Local 2067;
    - (iv) one person appointed by the Canadian Union of Public Employees Local 600; and
  - (c) a chairperson appointed by the members of the board who are appointed pursuant to clauses (a) and (b).
- (5) If no appointment of a member pursuant to subclause (4)(a)(ii), (iii) or (iv) is made within 60 days after the coming into force of this section or within 60 days after the occurrence of a vacancy, the Lieutenant Governor in Council shall appoint the member.
- (6) Subject to subsections (7), (8) and (9), a member of the board other than the chairperson:
- (a) holds office for a period of four years; and
  - (b) is eligible for reappointment, but is not eligible to hold office for more than two consecutive terms.
- (7) The term of office of one-half of the first members of the board to be appointed pursuant to clauses (4)(a) and (b) after the coming into force of this section is two years.
- (8) If the entities that appoint members of the board are unable to agree amongst themselves which members of the board are to serve a two-year term pursuant to subsection (7), the board shall, at its first meeting after the coming into force of this section, select by lot the members whose term of office is to be two years, alternating between members appointed on behalf of employers and members appointed on behalf of employees.
- (9) If a member of the board other than the chairperson ceases to hold office before the expiry of the member's term, the person appointed to replace that member holds office for the remainder of the term of the member being replaced.
- (10) At the first meeting of the board held after the coming into force of this section and in each subsequent year at the first meeting held after June 30, the board shall elect from its members a vice-chairperson to serve a term of one year.
- (11) The chairperson may call meetings of the board whenever the chairperson considers it necessary to do so for the proper administration of this Act".

## Section 4 amended

**5 Subsection 4(2) is amended by striking out “representing” and substituting “appointed on behalf of”.**

## Section 5 amended

**6 Section 5 is amended:**

**(a) by adding the following clause after clause (a):**

“(a.1) set the term of office for the chairperson and determine the remuneration of the chairperson”;

**(b) by adding the following clause after clause (e):**

“(e.1) provide prescribed pension benefits that may be purchased by members with amounts standing to their credit in the fund”;

**(c) in clause (g):**

**(i) by striking out “and” after subclause (i);**

**(ii) by adding “and” after subclause (ii); and**

**(iii) by adding the following subclause after subclause (ii):**

“(iii) the calculation of the amounts in the fund standing to the credit of members”; **and**

**(d) by repealing clauses (h) and (i).**

## Section 8 amended

**7(1) Clause 8(3)(d) is amended by striking out “sections 15 and 16” and substituting “sections 15, 16 and 18.2”.**

**(2) Subsection 8(4) is amended:**

**(a) by adding the following clause after clause (a):**

“(a.1) payments pursuant to prescribed pension benefits purchased by members from amounts standing to their credit in the fund”; **and**

**(b) in clause (c) by striking out “interest” and substituting “investment earnings”.**

## Section 9 amended

**8 Clause 9(2)(a) is repealed and the following substituted:**

“(a) calculate the amounts in a specialty fund standing to the credit of members who elect to participate in the specialty fund, having regard to the value of the assets allocated to the specialty fund pursuant to subsection (1) and the revenue and other earnings accruing from the investment of the assets allocated to the specialty fund”.

## Section 17 amended

**9 Subsection 17(3) is repealed and the following substituted:**

“(3) If any contributions have not been remitted within the period mentioned in subsection (2), the employer shall pay, in addition to the contributions, the amount, determined by the board, that is required to ensure that the amount standing to the credit of the member is not less than it would have been if the contributions had been remitted within the period mentioned in subsection (2)”.

## Section 18 amended

**10(1) Subsection 18(3) is amended by striking out** “allocated interest on those contributions” **and substituting** “interest that, as of December 31, 1997, was allocated on those contributions”.

**(2) Subsection 18(4) is amended by striking out** “interest” **and substituting** “investment earnings”.

**(3) The portion of subsection 18(5) preceding clause (a) is amended by striking out** “interest” **and substituting** “investment earnings”.

**(4) Subsection 18(6) is amended by striking out** “interest” **and substituting** “investment earnings”.

**(5) Subsection 18(7) is amended by adding** “or a lump sum payment pursuant to section 19.1” **after** “this Act”.

## Section 18.1 amended

**11 Subsection 18.1(1) is amended:**

**(a) in the portion preceding clause (a) by striking out** “, within one year after the date of termination,”;

**(b) in clause (a) by striking out** “interest” **and substituting** “investment earnings”; **and**

**(c) in clause (b) by striking out** “interest” **and substituting** “investment earnings”.

## New section 18.2

**12 The following section is added after section 18.1:**

## “Transfers by former members

**18.2(1)** In this section, ‘**external plan**’ means a pension plan or fund or a retirement savings plan or fund to which a transfer may be made pursuant to subsection 18(2).

(2) Subject to any terms and conditions prescribed in the regulations, a person who, as a member, has transferred to an external plan pursuant to subsection 18(2) the amount standing to his or her credit may transfer back into the plan the amount standing to his or her credit in the external plan for the purpose of purchasing a prescribed pension benefit from the board.

(3) A person who transfers an amount into the plan pursuant to subsection (2) is deemed to be a member for the purposes of purchasing a prescribed pension benefit from the board”.

## Section 19 amended

**13 Subsection 19(3) is amended:**

**(a) in paragraph (a)(i)(C) by striking out** “interest” **and substituting** “investment earnings”;

**(b) in paragraph (b)(i)(C) by striking out** “interest” **and substituting** “earnings”; **and**

**(c) in subclause (b)(ii) by striking out** “interest” **and substituting** “earnings”.

**New section 19.1****14 The following section is added after section 19:****“Lump sum payment – member seriously ill**

**19.1(1)** Subject to subsections (2) and (3) and the *Income Tax Act* (Canada), if a member satisfies the board that the member has a condition that is likely to shorten the member’s life considerably, the member may elect to receive payment of all or part of the amount standing to the credit of the member in a lump sum.

(2) The condition mentioned in subsection (1) must be certified by a duly qualified medical practitioner who has been approved by the board.

(3) If a member described in subsection (1) has a spouse, the member must provide a written waiver of the spouse’s entitlement to a benefit, or of a portion of the spouse’s entitlement to a benefit, in a form acceptable to the board”.

**Section 20 amended****15 Clause 20(2)(b) is repealed.****Section 26 amended****16 The following clause is added after clause 26(1)(i):**

“(i.1) for the purposes of subsection 18.2(2), prescribing terms and conditions with respect to the transfer of amounts into the fund from external plans”.

**Coming into force**

**17(1)** Subject to subsection (2), this Act comes into force on assent.

(2) Section 4 of this Act comes into force on September 1, 2004.

