

The Municipal Employees' Superannuation Act

being

Chapter M-26 of *The Revised Statutes of Saskatchewan, 1978*
(effective February 26, 1979).

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER M-26

An Act respecting the Superannuation of Certain Employees of Municipalities, Larger School Units and other Institutions

SHORT TITLE

Short title

- 1 This Act may be cited as *The Municipal Employees' Superannuation Act*.

INTERPRETATION

Interpretation

- 2 In this Act:

“allowance”

- (a) **“allowance”** means an annual sum of money granted under this Act;

“average highest salary”

- (b) **“average highest salary”** means the average yearly salary of a member during the six calendar years of highest salary on which contributions were made and includes salary for service prior to the effective date;

“child”

- (c) **“child”** includes a step-child and an adopted child;

“commission”

- (d) **“commission”** means The Municipal Employees' Superannuation Commission;

“continuous service”

- (e) **“continuous service”** means uninterrupted service of a person as an employee of an employer or employers and includes:

- (i) periods of authorized vacations;
- (ii) periods of service with the Canadian Armed Forces during a period of national emergency provided he had at least one year of service immediately prior to such service and returned to the service of an employer within six months following his date of discharge;
- (iii) periods of authorized leaves of absence;
- (iv) periods of service prior to the effective date;
- (v) periods of leave due to illness;

“contributory service”

- (f) **“contributory service”** means service for which an employee receives remuneration from an employer and makes the required contributions as specified by this Act;

“council”

- (g) **“council”** means the council of a rural municipality, village, town or city to which this Act applies;

“credited service”

- (h) **“credited service”** means service with an employer on and after the effective date and for which contributions were made to the fund in accordance with sections 16 and 17 other than additional voluntary contributions;

“deferred life annuity”

(i) “**deferred life annuity**” means a life annuity that commences at retirement date;

“department”

(j) “**department**” means the department presided over by the minister;

“dependent”

(k) “**dependent**” means a child under the age of eighteen years, an unmarried child under the age of twenty-one years who is attending an approved educational institution on a fulltime basis and the surviving spouse of an employee;

“effective date”

(l) “**effective date**” means the first day of July, 1973;

“employee”

(m) “**employee**” means an individual who performs services for an employer for a continuous period of six months in a permanent full-time position but does not include any teacher as defined by *The Teachers’ Superannuation Act*;

“employee additional contribution account”

(n) “**employee additional contribution account**” means all contributions made under a former Act by an employee on a voluntary basis together with interest standing to the credit of the employee as at the thirtieth day of June, 1973, and includes any voluntary additional contributions made on or after the first day of July, 1973, together with accumulated interest.

“employee annuity account”

(o) “**employee annuity account**” means all contributions required to be made under a former Act by an employee and includes accumulated interest standing to the credit of an employee as at the thirtieth day of June, 1973;

“employee annuity surplus account”

(p) “**employee annuity surplus account**” means all moneys standing to the credit of an employee, including accumulated interest, as at the thirtieth day of June, 1973, derived from the distribution of unallocated employer contributions under a former Act;

“employee contribution account”

(q) “**employee contribution account**” means the account set up to record employee contributions required to be made under this Act and includes accumulated interest;

“employer”

(r) “**employer**” means The Municipal Corporation of Uranium City and District and every rural municipality, village, town and city in Saskatchewan; the board of trustees of a school unit and school district and includes the board of a rural telephone company, a regional public library, rural health region, a union hospital district; The Saskatchewan School Trustees’ Association, The Saskatchewan Association of Rural Municipalities, The Saskatchewan Municipal Hail Insurance Association, The Saskatchewan Urban Municipalities Association and the Saskatchewan Association of Rural Telephone Companies and such other groups or organizations as the Lieutenant Governor in Council may order;

“employer additional contribution account”

(s) **“employer additional contribution account”** means the sum of all contributions made voluntarily by an employer under a former Act on behalf of an employee, with interest, as at the thirtieth day of June, 1973, and includes any additional voluntary contributions made by an employer on behalf of an employee on or after the first day of July, 1973, and accumulated interest;

“employer annuity account”

(t) **“employer annuity account”** means the sum of all contributions required to be made under a former Act on behalf of an employee by an employer and accumulated interest, as at the thirtieth day of June, 1973;

“equity account”

(u) **“equity account”** means the sum of the employee annuity account together with the vested portions of the employer annuity account and the employee annuity surplus account with accumulated interest;

“former Act”

(v) **“former Act”** means *The Municipal Employees’ Superannuation Act*, being chapter 180 of *The Revised Statutes of Saskatchewan, 1965* or any former *Municipal Employees’ Superannuation Act* or *Urban Employees’ Superannuation Act*;

“fund”

(w) **“fund”** means The Municipal Employees’ Superannuation Fund;

“member”

(x) **“member”** means an employee who has joined the plan and is entitled to benefits thereunder;

“minister”

(y) **“minister”** means the member of the Executive Council to whom for the time being is assigned the administration of this Act;

“normal retirement age”

(z) **“normal retirement age”** means:

- (i) the sixtieth birthday for designated firemen and policemen;
- (ii) the sixty-fifth birthday for all other members;

“normal retirement date”

(aa) **“normal retirement date”** means the first day of the month immediately following the month in which normal retirement age is attained;

“plan”

(bb) **“plan”** means the pension scheme provided by this Act;

“salary”

(cc) **“salary”** means remuneration received by an employee from an employer or employers for service rendered;

“voluntary equity account”

(dd) **“voluntary equity account”** means the sum of the employee additional contribution account together with the vested portion of the employer additional contributions, if any, with accumulated interest;

“year’s maximum pensionable earnings”

(ee) **“year’s maximum pensionable earnings”** has the meaning given to it by the *Canada Pension Plan*.

APPLICATION OF THIS ACT

Application of Act

3(1) Subject to subsection (2), this Act applies to all employees of employers except of those employers who are exempt from the provisions of this Act by the Lieutenant Governor in Council or who have been previously exempted under the provisions of a former Act.

(2) This Act does not apply to an employee whose salary is less than \$2,500 per annum but if such employee subsequently receives a salary at a rate of \$2,500 or more per annum this Act shall apply to him.

1973, c.66, s.3; R.S.S. 1978, c.M-26, s.3.

Application to participate

4(1) An employer who is exempted from the provisions of this Act by the Lieutenant Governor in Council, or who was exempted under the provisions of the former Act, may apply in writing to the commission for permission to participate in the plan.

(2) Where the commission, after such investigation as it considers necessary, is of opinion that the employer should be permitted to participate in the plan it may recommend to the Lieutenant Governor in Council that the employer be permitted to participate in the plan.

(3) Upon receipt of a recommendation from the commission under subsection (2) the Lieutenant Governor in Council may declare that on and from the date prescribed therefor in the order the employer shall be subject to this Act.

(4) An employer who is declared by the Lieutenant Governor in Council to be subject to this Act shall participate in the plan from the date prescribed therefor in the order.

1973, c.66, s.4; R.S.S. 1978, c.M-26, s.4.

Application by exempted employer to participate

5(1) An employer who submits an application to the commission under section 4 shall, at his own cost, supply the commission with such information as the commission considers necessary for the purpose of deciding whether a recommendation should be made to the Lieutenant Governor in Council with respect to the application.

(2) The commission shall, within three months from the date of the receipt by it of the application and all other information required by it, either reject the application or recommend to the Lieutenant Governor in Council that an order do issue permitting the employer to participate in the plan.

(3) Forthwith after it has reached its decision the commission shall notify the employer, in writing, by registered mail, of its decision on the application to participate in the plan.

1973, c.66, s.5; R.S.S. 1978, c.M-26, s.5.

Applies to new employers

6 Any employer coming into existence on or after the effective date is subject to this Act.

1973, c.66, s.6; R.S.S. 1978, c.M-26, s.6.

ADMINISTRATION

Composition of commission

7(1) The Municipal Employees' Superannuation Commission is continued and shall administer this Act.

(2) The commission shall consist of:

(a) a representative of the Government of Saskatchewan appointed by the Lieutenant Governor in Council who shall be the chairman of the commission;

(b) a representative of each of:

(i) The Saskatchewan Urban Municipalities Association;

(ii) The Saskatchewan School Trustees' Association;

(iii) The Saskatchewan Association of Rural Municipalities;

(iv) The Rural Municipal Secretary Treasurers' Association of Saskatchewan;

(v) The Association of School Business Officials of Saskatchewan;

(vi) the Saskatchewan Association of Rural Telephone Companies;

named respectively by the associations;

(c) a person named by the minister to represent the urban employees;

(d) a person named by the minister to represent the employees of rural telephone companies;

(e) a person named by the minister to represent those employees to whom subsection (2) of section 40 applies.

(3) Meetings of the commission shall be called by the chairman whenever he considers it necessary for the proper administration of this Act.

(4) The members of the commission shall annually at the first meeting of the commission held after the thirtieth day of June in each year, elect from the members of the commission a member as vice-chairman who shall act in the place of the chairman during his absence.

(5) Members of the commission shall hold office until their successors are appointed.

(6) Four members of the commission constitute a quorum.

1973, c.66, s.7; 1976-77, c.48, s.1; R.S.S. 1978,
c.M-26, s.7.

Transfer of pension credits

8 Subject to the approval of the minister, the commission may enter into agreements with persons representing any other pension plan and who have the necessary authority to provide for the transfer of pension credits and contributions between this plan and such other plan.

1973, c.66, s.8; R.S.S. 1978, c.M-26, s.8.

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SUPERANNUATION OF CERTAIN EMPLOYEES

Executive officer and staff

9(1) The staff of the commission shall consist of an executive secretary and such clerks and assistants as may be required for the proper administration of this Act.

(2) The executive secretary shall act as secretary at all meetings of the commission and shall be:

(a) responsible for all day to day procedures in the administration of this Act;

(b) subject to the direction and instructions of the commission.

(3) *The Public Service Act* and *The Public Service Superannuation Act* apply to the staff of the commission.

1973, c.66, s.9; R.S.S. 1978, c.M-26, s.9.

Costs of administration

10(1) The Government of Saskatchewan shall provide an office and all equipment and supplies considered necessary for the proper administration of this Act.

(2) The expenses of administering this Act including the remuneration and allowances payable to the members of the commission and the salaries of the executive secretary and the staff of the commission shall be paid out of moneys appropriated by the Legislature for the purpose.

(3) The members of the commission shall receive such remuneration for attending meetings of the commission and other services, and such allowances for travel, accommodation and other expenses as may be determined by the Lieutenant Governor in Council.

1973, c.66, s.10; R.S.S. 1978, c.M-26, s.10.

THE MUNICIPAL EMPLOYEES' SUPERANNUATION FUND

Fund continued

11 The Municipal Employees' Superannuation Fund is continued, and shall consist of:

(a) all moneys, investments and other assets of the fund including any reserve or other accounts and all moneys receivable from employers and employees as at the thirtieth day of June, 1973;

(b) all contributions to be made by employers and employees under this Act;

(c) all interest and other revenue from time to time accruing to the fund from investments made of the moneys of the fund;

(d) all assets transferred into the fund in accordance with sections 47 and 48.

1973, c.66, s.11; R.S.S. 1978, c.M-26, s.11.

Allowances, etc. charge on fund

12(1) All benefits granted under a former Act and all allowances, payments and refunds under this Act shall be a charge upon and payable out of the fund in the manner provided in this Act.

(2) The commission may engage consultants and experts to make actuarial studies of the plan from time to time in order to determine the adequacy of the fund and the contributions made to it and to improve the administration of the plan, and the cost of such studies and other expenses related thereto shall be payable out of the fund.

1973, c.66, s.12; R.S.S. 1978, c.M-26, s.12.

Moneys of the fund

13 All moneys in the fund, or hereafter received for the fund, shall be paid to and shall be held in trust by the Minister of Finance who shall invest such moneys in securities authorized under *The Pension Benefits Act*.

(2) The Minister of Finance shall annually submit to the commission a financial statement in respect of the fund for the preceding fiscal year, or the portion thereof during which this Act was in force, and such statement shall include:

- (a) a summary of the securities in which moneys of the fund are invested and the amount invested in each kind of security as at the end of the fiscal year;
- (b) all financial transactions affecting the fund during the period required to be covered by the statement;
- (c) such other information respecting the fund as will enable the commission to determine the adequacy of the fund for the future operation of the plan.

1973, c.66, s.13; R.S.S. 1978, c.M-26, s.13.

ELIGIBILITY**Eligibility of employees**

14(1) all employees who were, on the thirtieth day of June, 1973, participants of the pension scheme provided by the Act repealed by this Act become members of the plan on the effective date.

(2) Subject to subsection (4) and to subsection (2) of section 3, an employee who was not a participant of the pension scheme provided by the Act repealed by this Act and who was in the service of an employer on the effective date or who subsequently enters such service shall become a member of the plan on whichever of the following dates first occurs, namely:

- (i) the date of completion of one year of actual service including service prior to the effective date; or
- (ii) the date upon which the employer states in writing to the commission that the employee is to become a member.

(3) A member who terminates his service with an employer and becomes employed by another employer shall again become a member on his first day of service with his new employer if the period between his former service and the service with the new employer does not exceed six months and he has not received a refund in accordance with section 20 or 37.

(4) Upon receipt by the commission prior to the expiration of the period of six months mentioned in subsection (3) of a request in writing from or on behalf of the employee for an extension of time beyond the said six months' period, the commission may, if it is satisfied that the grounds for such extension are reasonable, extend the said period of six months for such period of time as it sees fit; and where an extension or extensions are granted, subsection (3) shall be read and construed as if the period so extended were substituted for the six months mentioned therein.

(5) An employee who has reached the age of fifty-five years prior to entering the service of an employer on or after the effective date shall participate in the plan and receive benefits in accordance with subsection (3) of section 22.

(6) An employee who has reached the age of sixty-five years on the effective date and who was a participant of the pension plan provided by a former Act may participate in the plan until he reaches the age of seventy years and is entitled to receive benefits in accordance with subsection (3) of section 22.

(7) An employee who becomes an employee on or after the effective day and who on such date:

- (a) is under eighteen years of age;
- (b) is not required to make contributions pursuant to the *Canada Pension Plan*; or
- (c) becomes an employee on or after the effective date and who is then sixty-five years of age;

is not entitled to participate in the plan and neither he nor his employer shall make contributions under this Act but an employee to whom clause (a) applies shall, subject to this Act, become a member when he reaches the age of eighteen years.

(8) An employee who is denied the right to participate in the plan may appeal such rejection to the commission in writing, which, after reviewing the facts and any submissions made by or on behalf of the appellant, shall determine the matter and shall make its decision known to the appellant within thirty days after the commission has reviewed the matter.

1973, c.66, s.14; 1973-74, c.68, s.3; R.S.S. 1978, c.M-26, s.14.

Limitation on contributions

15 A member is not entitled to make or to have contributions made by an employer under this Act in respect of salary on which he is making contributions by payroll deduction to any other employee group pension plan other than under the *Canada Pension Plan*.

1973, c.66, s.15; R.S.S. 1978, c.M-26, s.15.

CONTRIBUTIONS

Rate of contributions

16(1) There shall be deducted from the salary of each member as a contribution to the fund an amount equal to six per cent of such salary less any amount required to be remitted under the *Canada Pension Plan*, provided that when the maximum contributions required under the *Canada Pension Plan* have been made for any year the contributions to this plan will return to six per cent for the remainder of the year.

(2) Where an employer has determined and notified the commission that any employee who is a police officer or a fireman shall retire upon reaching the age of sixty years there shall be deducted from the salary of such employee as a contribution to the fund a further one and one-half per cent of his salary in addition to the contribution required under subsection (1).

(3) An employee who:

(a) was a member of the plan on the effective date; or

(b) provided service to an employer prior to the first day of July, 1973 and was unable to make contributions with respect to such service under the terms of a former Act;

may make additional contributions, up to the maximum permitted under the *Income Tax Act* (Canada).

(4) Contributions made by an employee under subsection (3) or under any former Act shall not be refunded to the employee while he remains in the continuous service of the employer.

1973, c.66, s.16; 1976, c.38, s.3; R.S.S. 1978,
c.M-26, s.16.

Responsibility on employer for contributions

17(1) Each employer shall contribute to the fund in respect of each employee an amount equal to the contributions required to be made to the fund by his employees or such greater amount as the commission may set and that is necessary to maintain the solvency of the fund.

(2) An employer may make additional contributions to the fund in respect of those employees mentioned in subsection (3) of section 16.

1973, c.66, s.17; 1976, c.38, s.4; R.S.S. 1978,
c.M-26, s.17.

Time and manner of remitting contributions

18(1) Each employer shall deduct from the salaries of all employees employed by him the amount of contributions required to be made by such employees under section 16 and shall on or before the fifteenth of each month remit such deductions to the commission together with any amounts which the employer is required to remit pursuant to section 17.

(2) Remittances shall be made in the manner and form prescribed by the commission.

(3) The responsibility for payment of all sums mentioned in sections 16 and 17 shall be upon the employer and such sums shall be a debt due from the employer to the commission recoverable by action in any court of competent jurisdiction.

(4) If any employer fails to make payment to the commission of any sum mentioned in sections 16 and 17 within thirty days of the due date for payment, the commission may apply to the Board of Revenue Commissioners for an order attaching any money payable by the Minister of Finance to the employer and upon such application the Board of Revenue Commissioners may issue such order.

1973, c.66, s.18; R.S.S. 1978, c.M-26, s.18.

BENEFIT CONDITIONS FOR SERVICE UNDER FORMER ACT

Benefits for service under former Act

19(1) The amount of the equity account and voluntary equity account of each employee in the fund shall be determined as of midnight of the thirtieth day of June, 1973, in the same manner as at the end of the fiscal year under the Act repealed by this Act.

(2) The amount in the equity account and voluntary equity account of each employee as determined under subsection (1) shall continue to earn interest at such rate as the commission may from time to time determine until the employee retires, dies or terminates his employment, whichever first occurs.

(3) The rate of interest referred to in subsection (2) shall not be lower by more than one per cent than the rate earned in the previous year by the fund.

(4) The unvested amounts in the employer annuity account and voluntarily equity account of each employee as at the thirteenth day of June, 1973, shall continue to earn interest at the rate determined by the commission pursuant to subsections (2) and (3).

(5) When an employee who had money in his equity account in the fund on the thirtieth day of June, 1973, elects to retire, the commission shall arrange for the purchase of a life annuity in such form as he selects with the moneys standing to the credit of the employee fund.

(6) If, at the date of retirement, any employee referred to in subsection (4) has money in the voluntary equity account, the commission may on request of the employee:

(a) use such money to purchase an additional life annuity on behalf of the employee in such form as he requests; or

(b) refund the amount in the employee's additional contribution account in one lump sum and purchase a life annuity on behalf of the employee, in such form as he selects, with the moneys remaining in his voluntary equity account.

1973, c.66, s.19; R.S.S. 1978, c.M-26, s.19.

TERMINATION OF SERVICE

Termination of service, benefits for contributions under former Act, vesting, etc.

20(1) Notwithstanding anything in this act, an employee who:

(a) has an equity account in the fund on the effective date;

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- (b) on or after the effective date ceases to be employed by an employer after a period of ten or more years of continuous service; and
- (c) attains the age of forty-five years or more but has not attained the age of sixty-five;

shall receive a deferred life annuity, in such form as the employee selects, purchased with the contributions made and credited to his equity account from the thirty-first day of December, 1968.

(2) The employee referred to in subsection (1) who had accumulated assets in his equity account prior to the first day of January, 1969, may:

- (a) direct the commission to purchase a deferred life annuity for him with the assets credited to his equity account and accumulated prior to the first day of January, 1969; or
- (b) elect to take a refund of any assets in his employee annuity account on the thirty-first day of December, 1968, and forfeit any vested interest in his employer annuity account accumulated prior to the first day of January, 1969.

(3) An employee who ceases to be employed on or after the effective date who has less than six years of continuous service may receive a refund of his employee annuity account in one lump sum.

(4) Subject to subsection (1), an employee who ceases to be employed on or after effective date and has completed six or more years of continuous service may elect:

- (a) to have the commission purchase a deferred life annuity for him with the amount of his employee equity account, in such form as the employee selects; or
- (b) to take a refund of his employee annuity account and forfeit any vested interest which he may have to any other sums contained in his equity account.

(5) An employee who ceases to be employed on or after the effective date and who has an amount to his credit in his voluntary equity account may:

- (a) elect to receive a refund of the moneys credited to him in his employee additional contribution account in one lump sum; or
- (b) instruct the commission to purchase a life annuity for him in such form as he selects with the moneys credited to him in his voluntary equity account and his employee annuity surplus account.

(6) An employee with at least six years of continuous service obtains a vested interest in the contributions required to be made by his employer under a former Act, to any voluntary additional contributions made by his employer and to amounts credited to his employee annuity surplus account, according to the following vesting schedule based on years of continuous service:

VESTING SCHEDULE

<i>Completed Years of Continuous Service</i>	<i>Vesting Percentage</i>
6 years but less than 7	20%
7 years but less than 8	40%
8 years but less than 9	60%
9 years but less than 10	80%
10 years and over	100%

1973, c.66, s.20; R.S.S. 1978, c.M-26, s.20.

DEATH PRIOR TO RETIREMENT

Death prior to retirement

21(1) Where an employee dies on or after the effective date but prior to retirement, the commission shall, where there is no named beneficiary, refund to the estate of the deceased employee all of the moneys to his credit in the following accounts:

- (a) the employee additional contribution account;
- (b) the employee annuity account;
- (c) the employee annuity surplus account;
- (d) the employer additional contribution account;
- (e) the employer annuity account.

(2) Where the employee referred to in subsection (1) has a named beneficiary, the beneficiary may direct the commission:

- (a) to refund to the beneficiary the total amount of moneys to the credit of the employee in the accounts mentioned in subsection (1); or
- (b) to purchase an annuity for the beneficiary in the form he selects with the total amount of moneys to the credit of the employee in the accounts mentioned in subsection (1).

(3) Where an employee who has terminated his service with an employer and has elected to receive or has received a deferred annuity in accordance with section 20 dies such annuity becomes payable, his estate or named beneficiary is entitled to the same options as are provided under subsections (1) and (2).

1973, c.66, s.21; 1976, c.38, s.5; R.S.S. 1978,
c.M-26, s.21.

BENEFIT CONDITIONS FOR SERVICE UNDER THIS ACT

Benefit conditions for service under this Act

22(1) A member who retires upon attaining normal retirement age, under this Act shall receive an allowance equal to:

- (a) one and three-tenths per cent of that portion of his average highest salary which is not in excess of the average year's maximum pensionable earnings for the three years immediately prior to his retirement date; and
- (b) two per cent of that portion of his average highest salary, if any, which exceeds the average year's maximum pensionable earnings as calculated in clause (a);

for each year and fractional year of contributory service in the plan prior to retirement.

(2) The allowance resulting from the calculation in subsection (1) together with the amount of any other annuity purchased on behalf of a retiring member shall not exceed the lesser of:

- (a) \$1,143 times the number of years of credited service not exceeding thirty-five; or
- (b) an amount that is the product of:
 - (i) two per cent per year of credited service not exceeding thirty-five years; and
 - (ii) the average of the best five years of salary paid to a member by an employer or employers.

(3) An employee mentioned in subsection (4) of section 14 who is at least fifty-five years of age and who has at least five years of continuous service to his credit will be entitled to receive an immediate or deferred life annuity upon his retirement or termination of service in such form as the employee selects and for an amount which can be purchased with twice the amount to his credit in his employee contribution account.

1973, c.66, s.22; R.S.S. 1978, c.M-26, s.22.

Allowance on early retirement

23(1) A member who retires early in accordance with section 41 shall receive an allowance equal to two per cent of his average highest salary for each year credited service less the reduction mentioned in section 41, payable until he reaches his sixty-fifth birthday, on which date his allowance shall be recalculated in accordance with subsection (1) of section 22 and such recalculated allowance less the reduction under section 41 shall be payable to him monthly commencing with the first day of the month following that in which he became sixty-five years of age.

(2) A member employed as a police officer or fireman who retires in accordance with subsection (2) of section 40 shall receive an allowance equal to two per cent of his highest average salary for each year of credited service payable until he reaches his sixty-fifth birthday, on which date his allowance shall be recalculated in accordance with subsection (1) of section 22 and shall be payable to him monthly commencing with the first day of the month following the month in which he became sixty-five years of age.

1973, c.66, s.23; 1973-74, c.68, s.4; R.S.S. 1978, c.M-26, s.23.

DISABILITY ALLOWANCE

Disability allowance

24(1) Except as otherwise provided in this Act, a member who:

- (a) has at least fifteen years of continuous service immediately prior to the date determined by the commission as the date on which an allowance may be commenced;
- (b) has not attained the age of sixty years;
- (c) submits evidence that he is in receipt of a disability pension under the *Canada Pension Plan*; and
- (d) makes written application to the commission to be retired because of total physical or mental incapacity;

may receive, during his disability, an allowance calculated in accordance with section 22.

(2) A disability allowance shall not be granted to a member unless he has been incapacitated for a period of at least four consecutive months.

(3) Where a person dies while receiving a disability allowance granted under this section, the allowance may be continued, with the approval of the commission, in accordance with clause (a) or (b) of section 39, as the case may be.

1973, c.66, s.24; 1976, c.38, s.6; R.S.S. 1978,
c.M-26, s.24.

Proof of disability

25(1) A person who applies for a disability allowance must provide the commission with certificates of two qualified medical doctors setting forth the nature and extent of his disability and what treatment, if any, could correct the condition.

(2) The commission may require the applicant to submit to an examination by a doctor named by it.

(3) An employee shall not be considered totally incapacitated if a device can be purchased, treatment given or an operation performed that, in the opinion of the commission based on the medical reports furnished, will render the member capable of obtaining gainful employment.

(4) An employee who refuses to undergo treatment recommended by the commission may have his application rejected and if at the time of his refusal to undergo treatment he is receiving a disability allowance such allowance may be reduced, suspended or discontinued by the commission.

1973, c.66, s.25; R.S.S. 1978, c.M-26, s.25.

Medical board, appeal to

26(1) Where the commission refuses to grant a disability allowance under this Act, the employee may request the commission in writing to refer his case to a medical board.

(2) The medical board referred to in subsection (1) shall consist of not more than three qualified medical practitioners appointed by the commission and such appointment shall be made within thirty days after the receipt of such request.

(3) The medical board shall convene within fifteen days from date of appointment to review the employee's case and shall be authorized to call any witnesses or any evidence to better enable it to assess the case.

(4) The decision of the medical board shall, subject to sections 27 and 28, be binding upon the commission unless its decision is modified or changed by a subsequent medical board.

(5) All expenses for the medical board including witness fees, and all other expenses shall be paid from the fund.

1973, c.66, s.26; R.S.S. 1978, c.M-26, s.26.

Commission may reduce, etc., disability allowance

27 The commission may in its discretion, reduce, suspend or discontinue the disability allowance of a person who has obtained gainful employment or who is capable of obtaining such employment.

1973, c.66, s.27; R.S.S. 1978, c.M-26, s.27.

Review of disability allowances

28(1) The commission shall from time to time review the case of a member who is in receipt of a disability allowance, unless he had during his disability attained his normal retirement age, and shall:

- (a) where the recipient of a disability allowance has recovered; or
- (b) where in the opinion of the commission the recipient is no longer totally and permanently disabled;

reduce, suspend or discontinue his allowance.

(2) The commission may reinstate any allowance or any part of an allowance reduced, suspended or discontinued under subsection (1).

1973, c.66, s.28; R.S.S. 1978, c.M-26, s.28.

Time limit decision of commission

29 Where an application is made for a disability allowance, the commission shall reach a decision within three months after all required evidence has been received by it.

1973, c.66, s.29; R.S.S. 1978, c.M-26, s.29.

Reduction by amount of Workers' Compensation

30 A disability allowance granted to a member under this Act shall be reduced by the sum that has been paid or is likely to be paid to or on behalf of the applicant under *The Workers' Compensation Act* or under a similar statute or law with respect to injured workmen.

1973, c.66, s.30; R.S.S. 1978, c.M-26, s.30.

DEPENDENTS' ALLOWANCES

Dependants' allowances

31 Where a member dies while in the service of an employer after fifteen or more years of continuous service, the dependent shall, upon written application to the commission and submission of such evidence of eligibility as the commission requires, be entitled to an allowance in accordance with section 32.

1976, c.38, s.7; R.S.S. 1978, c.M-26, s.31.

Computation of allowances for dependents

32 The allowance provided for by section 31 shall be as follows:

- (a) where the deceased employee is survived by a wife or dependent husband, the allowance payable to such dependent shall one-half of the allowance calculated in accordance with section 22, together with an amount equal to ten per cent of such allowance for each child who is a dependent, but the total amount payable in respect of all of the dependent children shall not exceed one quarter of the allowance;
- (b) where the deceased has dependent children but no wife or dependent husband surviving, there shall be payable:
 - (i) in respect of one child an amount equivalent to one-half the allowance which the deceased could have received under section 22 if he had been eligible for retirement at the date of his death; and
 - (ii) in respect of the remaining children an amount for each such child equal to ten per cent of the allowance calculated pursuant to section 22 but not exceeding one-quarter of such allowance.

1973, c.66, s.32; 1976, c.38, s.8; R.S.S. 1978, c.M-26, s.32.

Payments to guardian, etc., for child

33 Allowances and other sums payable to a child shall be paid to the person constituted or appointed guardian of the child by or pursuant to *The Infants Act* or the guardian appointed by the employee or where there is no such appointed guardian or nominee, to such person as the commission may appoint, having regard to the welfare of the child.

1973, c.66, s.33; R.S.S. 1978, c.M-26, s.33.

Discontinuance of dependent's allowance

34 Any allowance granted under sections 31 and 32 shall be discontinued if the recipient no longer qualifies as a dependent or if the surviving spouse remarries.

1976, c.38, s.9; R.S.S. 1978, c.M-26, s.34.

DEFERRED ALLOWANCES

Deferred annuity after ten years and prior to retirement age, vesting schedule

35(1) Notwithstanding anything in this Act, a member, who after the effective date:

- (a) ceases to be employed by an employer after a period of ten or more years of continuous service; or membership in the plan, whichever should occur first; and
- (b) has attained the age of forty-five years or more but has not attained the age of sixty-five years;

shall receive a deferred allowance for credited service in accordance with section 22.

(2) A member who ceases to be employed by an employer subsequent to the effective date but prior to attaining age forty-five years and has completed six or more years of continuous service may elect to leave his contributions in the fund and become entitled to a deferred allowance for credited service equal to the greater of:

- (a) a deferred life annuity purchased with the moneys in the member's employee contribution account;
- (b) a deferred allowance equal to the percentage of the difference, if any, between the accrued pension calculated in accordance with section 22 and the pension under clause (a), such percentage to vary with the number of years of continuous service in accordance with the following table of vesting:

VESTING SCHEDULE

<i>Completed Years of Continuous Service</i>	<i>Vesting Percentage</i>
6 years but less than 7	20%
7 years but less than 8	40%
8 years but less than 9	60%
9 years but less than 10	80%
10 years and over	100%

1973, c.66, s.35; R.S.S. 1978, c.M-26, s.35.

Refund instead of deferred allowance

36 A member who is entitled to a deferred allowance under section 35 may elect to receive a refund of his employee additional contributions account, if any.

1973, c.66, s.36; R.S.S. 1978, c.M-26, s.36.

REFUNDS

Refunds where less than six years' service

37(1) member, upon termination of service with an employer, who has less than six years of continuous service may receive a refund of his employee contributions account and his employee additional voluntary account, if he is not entitled to an allowance under subsection (3) of section 22.

(2) In lieu of an election under subsection (2) of section 35, a member, upon termination of service with an employer, who has six or more years of continuous service and who has not attained the age of forty-five, may elect to receive a refund of the amount in his employee contribution account.

1973, c.66, s.37; R.S.S. 1978, c.M-26, s.37.

Death with less than fifteen years service

38(1) Where a member dies in service prior to attaining retirement age and who has less than fifteen years of continuous service to his credit at date of death, there shall be refunded to his named beneficiary or estate the deceased member's employee contribution account.

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SUPERANNUATION OF CERTAIN EMPLOYEES

(2) Where a member becomes entitled to a deferred annuity for service after the effective date under section 35 but has less than fifteen years of continuous service and subsequently dies before such deferred annuity becomes payable, the deceased's named beneficiary or estate shall be entitled to receive an amount equal to the deceased's member's employee contribution account.

(3) Where a member dies in service prior to attaining retirement age and where he has more than fifteen years of continuous service to his credit at date of death and where he leaves no dependent, there shall be refunded to his named beneficiary or estate an amount equal to the deceased member's employee contribution account.

1973, c.66, s.38; 1976, c.38, s.10; R.S.S. 1978,
c.M-26, s.38.

DEATH AFTER RETIREMENT

Death after retirement dependent's allowances

39 If a retired member dies:

(a) leaving a surviving spouse, one-half of the allowance which the retired member was receiving shall be paid to the surviving spouse for life;

(b) leaving no surviving spouse, one-half of the allowance which the retired member was receiving shall be paid to any dependent or dependents named by the retired member to receive the amount; or

(c) leaving no surviving spouse or other dependent eligible to receive an allowance and, at date of death, the retired member had not received by way of allowances an amount equal to the amount in the employee contribution account standing to his credit in the fund at the date of his retirement, the amount by which the employee contribution account exceeds the total of the allowance paid to him shall be paid to his named beneficiary or estate.

1973, c.66, s.29; 1976, c.38, s.11; R.S.S. 1978,
c.M-26, s.39.

NORMAL RETIREMENT DATE

Normal retirement date

40(1) A member shall normally retire upon attaining his sixty-fifth birthday and the first allowance payment shall be paid on the first day of the month following the month in which such birthday occurred.

(2) Notwithstanding subsection (1), a member employed as a police officer or fireman and so designated by his employer, shall normally upon attaining his sixtieth birthday and the first allowance payment shall be paid on the first day of month following the month in which such birthday occurred.

1973, c.66, s.40; R.S.S. 1978, c.M-26, s.40.

EARLY RETIREMENT

Early retirement date

41(1) A member may retire upon application prior to his normal retirement date as set out in section 40 provided he has a minimum of fifteen years of continuous service to his credit and is at least fifty-five years of age.

(2) The allowance to which a member is entitled under this section shall be calculated in accordance with section 23 with a reduction of one-fourth of one per cent for each complete month by which the member's early retirement date precedes his normal retirement date.

(3) Allowances under this section shall be payable commencing with the first day of the month following the month in which the retirement is to commence.

1973, c.66, s.41; 1973-74, c.68, s.5; R.S.S. 1978, c.M-26, s.41.

POSTPONED RETIREMENT

Postponed retirement

42(1) A member may, with the consent of his employer postpone his retirement date past his normal retirement age but not past the age of seventy years.

(2) When a member reaches his normal retirement age, all contributions required by this Act cease and the member will be entitled to a deferred annuity calculated as at his normal retirement date in accordance with section 22 and payable when he retires.

(3) Notwithstanding anything in this Act, where a member dies while on postponed retirement his dependents or beneficiaries shall be entitled to benefits as though the deceased member had retired on the date of death.

(4) Allowances under this section shall commence on the earlier of:

(a) the first day of the month following the month the member ceases to be employed by an employer; or

(b) the first day of the month following the month in which the member becomes seventy years of age.

1973, c.66, s.42; R.S.S. 1978, c.M-26, s.42.

Provision of deferred or immediate life annuities, by purchase or payment from fund

43 Deferred or immediate life annuities wherever referred to in this Act:

(a) may be purchased by the commission, from any person or company licensed to underwrite life annuities in Saskatchewan; or

(b) may be paid out of the fund and the amounts of such annuities will be based on tables and rates approved by the commission.

1973, c.66, s.43; R.S.S. 1978, c.M-26, s.43.

SPECIAL PROVISIONS FOR CERTAIN EMPLOYEES OF RURAL
MUNICIPALITIES

Minimum allowance

44 Notwithstanding anything in this Act or any former Act, the amount of the allowance payable monthly to a superannuated rural secretary treasurer shall be no less than the amount obtained by multiplying \$8 by the number of years of his service up to a maximum thirty-five years of service.

1976, c.38, s.12; R.S.S. 1978, c.M-26, s.44.

Additional allowance

45 Where, as provided by section 44, the allowance:

- (a) being paid to a superannuated rural secretary treasurer under any of the provisions of a former Act; or
- (b) being paid to a retiring rural secretary treasurer under any of the provisions of the plan;

is less than the minimum specified in section 44, the commission shall determine the amount of additional allowance to which the superannuated or retiring rural secretary treasurer is entitled and shall authorize the payment thereof in accordance with the regulations made for the purpose.

1976, c.38, s.12; R.S.S. 1978, c.M-26, s.45.

SPECIAL CONTRIBUTIONS TO THE FUND

Assessments to provide additional allowances

46 Commencing in the year 1976, and subject to the regulations approved for that purpose:

- (a) each rural municipality shall be assessed and shall pay into the fund annually an equal amount required to pay the amount necessary to meet fifty per cent of the cost of providing all the additional allowances to be paid pursuant to section 45;
- (b) the Minister of Finance shall be assessed and shall pay into the fund annually such amount as is required to meet fifty per cent of the cost of providing the additional allowances to be paid pursuant to section 45 and such amount shall be paid out of moneys appropriated by the Legislature for the purpose.
- (c) the provisions of subsections (3) and (4) of section 18 apply *mutatis mutandis* to the sums payable pursuant to clause (a) of this section.

1976, c.38, s.12; R.S.S. 1978, c.M-26, s.46.

TRANSFER AND RECIPROCAL AGREEMENTS

Transfer of another plan into the fund

47 In accordance with and subject to section 8, the commission may enter into an agreement with another employer for the transfer of all assets and liabilities of a pension plan into the fund, provided:

- (a) all liabilities of the plan to be transferred into the fund have been met or contingently met to the satisfaction of the commission and the minister.
- (b) the employer supplies the executive secretary with all records he may require for proper administration; and
- (c) an up-to-date actuarial evaluation is supplied to commission.

1973, c.66, s.44; R.S.S. 1978, c.M-26, s.47.

Transfer between this plan and other plans

48 In accordance with and subject to section 8, the commission may enter into an agreement for the transfer of:

- (a) individual pension credits and contributions from another registered retirement plan into the fund;
- (b) individual pension credits and contributions out of the fund into another registered retirement plan.

1973, c.66, s.45; R.S.S. 1978, c.M-26, s.48.

Minister's approval

49 If the minister approves the transfer of a pension plan or individual pension credits and contributions into the fund, all liabilities incurred due to the transfers will be met by and paid out of the fund.

1973, c.66, s.46; R.S.S. 1978, c.M-26, s.49.

Application of special provisions of former Act

50 Any allowance granted under special provisions of a former Act shall be a charge upon the fund and shall continue to be paid therefrom during the lifetime of the recipient.

(2) The commission may in its discretion by regulation increase the amount of the allowance referred to in subsection (1).

1973, c.66, s.47; 1976, c.38, s.13; R.S.S. 1978, c.M-26, s.50.

SMALL ALLOWANCES

Refund instead of small allowance

51(1) Where any monthly allowance granted under this Act is \$15 or less, the commission may authorize the payment to the member of the value of such allowance in one lump sum.

(2) The value of the allowance referred to in subsection (1) shall be calculated by using value tables prescribed by the commission.

1973, c.66, s.48; R.S.S. 1978, c.M-26, s.51.

MISCELLANEOUS

Payment to trustee in case of physical or mental incompetence

52 If a recipient entitled to receive any annuity or allowance under this plan is, in the opinion of the commission, physically or mentally unfit to receive such annuity or allowance, the commission may authorize payment of the annuity or allowance to any other person, institution or guardian who in the opinion of the commission is able to act as trustee and to manage such allowance for the benefit of the recipient and such payment shall be a valid discharge of the commission's obligation to the recipient.

1973, c.66, s.49; R.S.S. 1978, c.M-26, s.52.

Annuities, etc., not subject to attachment and unassignable

53 Any payment to be made or any deferred life annuity earned under this Act is not subject to garnishee or attachment or seizure or any legal process, and is unassignable.

1973, c.66, s.50; R.S.S. 1978, c.M-26, s.53.

Registration of plan

54 The commission shall file this plan for registration under the *Income Tax Act* (Canada) and *The Pension Benefits Act*.

1973, c.66, s.51; R.S.S. 1978, c.M-26, s.54.

Funding in accordance with the *Pension Benefits Act*

55 The plan authorized by this Act shall be funded in accordance with the test for solvency prescribed by *The Pension Benefits Act*.

1973, c.66, s.52; R.S.S. 1978, c.M-26, s.55.

Members to receive written explanation of plan

56 The commission shall supply each member with a written explanation of:

- (a) the terms and conditions of the plan;
- (b) the rights and duties of a member;
- (c) the benefits available to members under the plan; and
- (d) such other information as the commission may consider desirable or as may be required by the regulations.

1973, c.66, s.53; R.S.S. 1978, c.M-26, s.56.

Regulations

57 For the purpose of carrying out the provisions of this Act according to their intent and of supplying any deficiency therein, the Lieutenant Governor in Council may make regulations not inconsistent with the spirit of the Act which shall have the same force and effect as if enacted herein and without restricting the generality of the foregoing, the Lieutenant Governor in Council may make regulations:

- (a) defining any words used in this Act and not defined, or insufficiently defined;
- (b) setting interest rates to be applied in certain circumstances under this Act;

(c) exempting, upon the advice of the commission, any class or group of employees of an employer or any employer from the application of all or part of this Act.

(d) prescribing rules for calculating the amounts of additional allowances and payment of those allowances;

(e) prescribing the manner in which the required special contributions to the fund shall be calculated and remitted to the fund.

1973, c.66, s.54; 1976, c.38, s.14; R.S.S. 1978, c.M-26, s.58.

Commission to approve allowances

58 All allowances granted under this Act shall require the approval of the commission.

R.S.S. 1978, c.M-26, s.58.

Allowance by equal instalments

59(1) The allowances granted under this Act shall be adjusted to provide for payments in equal monthly instalments.

(2) Any allowance payable under this Act or any former Act shall be paid to the end of the month in which the allowance ceases to become payable.

1973, c.66, s.56; R.S.S. 1978, c.M-26, s.59.

Payments upon requisition

60 Payment out of the fund for any of the purposes of this Act shall be made upon a requisition in writing, signed by the chairman, vice-chairman or executive secretary of the commission, requiring the issue of a cheque by the Minister of Finance for the amount named in the requisition to the payee named therein.

1973, c.66, s.57; R.S.S. 1978, c.M-26, s.60.

Audit

61 The Provincial Auditor shall audit all accounts of the commission and shall annually prepare and submit to the commission and the minister a report of his findings with respect to the operations of the commission during the preceding calendar year or that portion thereof during which this Act was in force.

1973, c.66, s.58; R.S.S. 1978, c.M-26, s.61.

Commission annual report

62(1) The commission shall in each year on or before the first day of April cause to be prepared a report for the preceding calendar year.

- (2) The report mentioned in subsection (1) shall show:
- (a) the identity, by way of the commission's identification number, of each member to whom an allowance was granted or who died during the last preceding year;
 - (b) the age of each member at retirement or death;
 - (c) the amount and type of each allowance granted;
 - (d) the length of service of each member listed under clause (a);
 - (e) the sum of allowances paid out of the fund;
 - (f) the expenses incurred in the administration of this Act that were:
 - (i) paid by the province;
 - (ii) paid out of the fund;
 - (g) any other information which the commission considers desirable.
- (3) A copy of the commission's report shall be given to the minister and all employer and employee associations who have members participating in the plan.
- (4) The executive secretary shall, upon receipt of a request from a member or employer for a copy of the report of the commission, send to the member or employer a copy of the report requested.

1973, c.66, s.59; 1976, c.38, s.15; R.S.S. 1978, c.M-26, s.62.

Annuities to meet requirements of Department of National Revenue

63 Any immediate or deferred life annuity selected by an employee and purchased by the commission under this Act and any life annuity payable out of the fund and authorized by the commission shall be an annuity acceptable to the Department of National Revenue.

1973, c.66, s.60; R.S.S. 1978, c.M-26, s.63.

Decision of commission final

64 When a question arises as to the application, interpretation or intent of this Act or the regulations it shall be determined by the commission whose decision shall be final.

1973, c.66, s.61; R.S.S. 1978, c.M-26, s.64.