

1992 BILL 46

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Fourth Session, 22nd Legislature, 41 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# BILL 46

**PENSION STATUTES AMENDMENT AND  
MISCELLANEOUS PROVISIONS ACT, 1992**

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THE PROVINCIAL TREASURER

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First Reading .....

Second Reading .....

Committee of the Whole .....

Third Reading .....

Royal Assent .....

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1992

## PENSION STATUTES AMENDMENT AND MISCELLANEOUS PROVISIONS ACT, 1992

(Assented to \_\_\_\_\_, 1992)

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

*1(1) The titles of the following regulations are amended by  
striking out "Temporary":*

- (a) the Teachers' Retirement Fund Act (Temporary  
Amendment) Regulation, 1992 (Alta. Reg. 13/92);*
- (b) the Local Authorities Pension Plan Act (Temporary  
Amendment) Regulation, 1992 (Alta. Reg. 16/92);*
- (c) the Members of the Legislative Assembly Pension  
Plan Act (Temporary Amendment) Regulation, 1992  
(Alta. Reg. 18/92);*
- (d) the Public Service Management Pension Plan Act  
(Temporary Amendment) Regulation, 1992 (Alta.  
Reg. 20/92);*
- (e) the Public Service Pension Plan Act (Temporary  
Amendment) Regulation, 1992 (Alta. Reg. 22/92);*
- (f) the Special Forces Pension Plan Act (Temporary  
Amendment) Regulation, 1992 (Alta. Reg. 24/92);*
- (g) the Universities Academic Pension Plan Act  
(Temporary Amendment) Regulation, 1992 (Alta.  
Reg. 26/92).*

*(2) The following sections of the regulations listed in subsection  
(1) are repealed:*

## **Explanatory Notes**

**1** Miscellaneous provisions reflecting statutory amendments made by regulation.

- (a) *section 16 of Alberta Regulation 13/92;*
- (b) *section 28 of Alberta Regulation 16/92;*
- (c) *section 30 of Alberta Regulation 18/92;*
- (d) *section 27 of Alberta Regulation 20/92;*
- (e) *section 28 of Alberta Regulation 22/92;*
- (f) *section 26 of Alberta Regulation 24/92;*
- (g) *section 27 of Alberta Regulation 26/92.*

*(3) Notwithstanding subsection (6), the regulations specified in subsection (1) are hereby declared valid notwithstanding that any provisions of those regulations may exceed the powers given by the Act referred to in subsection (6) to make regulations and the statutory amendments effectuated by the regulations shall continue to have force as if they had been enacted by this Act.*

*(4) The regulations specified in subsection (1) and the other regulations listed in subsection (5) are deemed to have come into force on January 1, 1992 notwithstanding any other law.*

*(5) The other regulations referred to in subsection (4) are*

- (a) *the Local Authorities Pension Plan Amendment Regulation (Alta. Reg. 15/92);*
- (b) *the Members of the Legislative Assembly Pension Plan Amendment Regulation (Alta. Reg. 17/92);*
- (c) *the Public Service Management Pension Plan Amendment Regulation (Alta. Reg. 19/92);*
- (d) *the Public Service Pension Plan Amendment Regulation (Alta. Reg. 21/92);*
- (e) *the Special Forces Pension Plan Amendment Regulation (Alta. Reg. 23/92);*
- (f) *the Universities Academic Pension Plan Amendment Regulation (Alta. Reg. 25/92);*
- (g) *the Local Authorities Pension Plan (Ministerial) Amendment Regulation (Alta. Reg. 49/92);*
- (h) *the Members of the Legislative Assembly Pension Plan (Ministerial) Amendment Regulation (Alta. Reg. 52/92);*
- (i) *the Public Service Management Pension Plan (Ministerial) Amendment Regulation (Alta. Reg. 48/92);*



- (j) *the Public Service Pension Plan (Ministerial) Amendment Regulation (Alta. Reg. 47/92);*
- (k) *the Special Forces Pension Plan (Ministerial) Amendment Regulation (Alta. Reg. 51/92);*
- (l) *the Universities Academic Pension Plan (Ministerial) Amendment Regulation (Alta. Reg. 50/92);*
- (m) *the actuarial tables enacted under the pension Acts amended by this Act, being Alberta Regulations 39/92, 40/92, 41/92, 42/92, 43/92, 44/92, 45/92 and 46/92.*

(6) *The Pension Statutes (Transitional Arrangements) Act, 1991 is repealed.*

(7) *To avoid any doubt on the matter, references in this Act to a pension Act that has been amended by any of the regulations specified in subsection (1) are to be treated as references to the Act as so amended.*

Pension  
administration  
costs

**2(1)** In this section,

- (a) “costs of the plans” means those costs and expenses incurred after March 31, 1992 that the Minister considers were incurred in the provision of administrative, financial and general management services, and to acquire equipment and supplies, for the plans or any of them;
- (b) “plans” means
  - (i) the Local Authorities Pension Plan,
  - (ii) the Public Service Management Pension Plan,
  - (iii) the Public Service Pension Plan,
  - (iv) the Special Forces Pension Plan, and
  - (v) the Universities Academic Pension Plan.

(2) The Provincial Treasurer shall establish and administer a revolving fund called the Pension Plan Administration Fund for the purposes described in this section.

**2 Pension Plan Administration Fund - direct costs of plans.**

(3) The Provincial Treasurer may advance from the General Revenue Fund to the revolving fund sums required to meet the costs or part of the costs of the plans.

(4) The Provincial Treasurer may make payments from the revolving fund to meet the costs or part of the costs of the plans and the interest charges on advances made under subsection (3).

(5) The Provincial Treasurer shall transfer from the Pension Fund to the revolving fund sums equal to those costs of the plans that were paid by the revolving fund and the interest on advances under subsection (3) and shall use the proceeds of the transfer to reduce or eliminate the advances made under subsection (3).

(6) The Provincial Treasurer shall establish the amounts of those costs of the plans that have been paid from the General Revenue Fund and not from the revolving fund and shall transfer those amounts from the Pension Fund to the General Revenue Fund.

(7) The Provincial Treasurer shall allocate the costs of the plans among the plans.

#### **Local Authorities Pension Plan Act**

*3(1) The Local Authorities Pension Plan Act is amended by this section.*

*(2) The following is added after section 14:*

Additional contributions payable by participants

**14.1** Each participant and other prescribed person shall pay additional contributions at the rate of .087% of salary.

*(3) The following is added after section 15:*

Additional contributions payable by employers

**15.1** The employer of each participant or other person referred to in section 14.1 shall pay additional contributions at the rate of .087% of the person's salary.

Contributions from Government

**15.2** The Government shall pay contributions, to be known as additional contributions, at the rate of .225% of the salary of each person referred to in section 14.1.



### **Local Authorities Pension Plan Act**

**3(1)** This section will amend chapter L-28.1 of the Statutes of Alberta, 1985 (which includes amendments made by the amending Regulation Alta. Reg. 16/92).

(2) Employee additional contributions.

(3) Other provisions respecting additional contributions.

Separate accounting for additional contributions

**15.3** The Provincial Treasurer shall ensure that a separate accounting is made and maintained in respect of additional contributions made under sections 14.1, 15.1 and 15.2.

*(4) The following is added before section 32:*

Refund of employee additional contributions

**31.4** Where employee contributions are to be refunded to a person in respect of any service, additional contributions paid by the employee, with interest, shall also be paid.

#### **Members of the Legislative Assembly Pension Plan Act**

*4(1) The Members of the Legislative Assembly Pension Plan Act is amended by this section.*

*(2) Section 13(1) of Schedule 1 is amended by striking out “7.5” and substituting “9”.*

*(3) Section 13(1) of Schedule 2 is amended by striking out “7.5” and substituting “9”.*

*(4) The following is added after section 13 of Schedule 2:*

Additional contributions payable by participants

**13.1** Each officer and other prescribed person shall pay additional contributions at the rate of 1% of salary.

*(5) The following is added after section 14 of Schedule 2:*

Additional contributions payable by employers

**14.1** The Legislative Assembly Office shall pay additional contributions at the rate of 1% of the salary of each participant or other person referred to in section 13.1.

- (4) Refund of employee additional contributions.

**Members of the Legislative Assembly  
Pension Plan Act**

4(1) This section will amend chapter M-12.5 of the Statutes of Alberta, 1985 (which includes amendments made by the amending Regulation Alta. Reg. 18/92).

- (2) Section 13(1) of Schedule 1 presently reads:

*13(1) Subject to subsections (2) and (2.1), an officer shall, at the intervals prescribed by the Minister, make contributions at the rate of 7.5% of his salary for each office held by him.*

- (3) Section 13(1) of Schedule 2 presently reads:

*13(1) Subject to subsection (2), an officer shall, at the intervals prescribed by the Minister, make contributions, in respect of each office held by him, at the rate of 7.5% of his salary for that office less the amount that he is required to contribute in respect of that office under the principal plan.*

- (4) Other additional contributions.

- (5) Other provisions respecting additional contributions.

Contributions from Government

**14.2** The Government shall pay contributions, to be known as additional contributions, at the rate of 1% of the salary of each person referred to in section 13.1.

Separate accounting for additional contributions

**14.3** The Provincial Treasurer shall ensure that a separate accounting is made and maintained in respect of additional contributions made under sections 13.1, 14.1 and 14.2.

*(6) The following is added before section 27 of Schedule 2:*

Refund of employee additional contributions

**26.1** Where officer contributions are to be refunded to a person in respect of any service, additional contributions paid by the officer, with interest, shall also be paid.

### **Public Service Management Pension Plan Act**

*5(1) The Public Service Management Pension Plan Act is amended by this section.*

*(2) Section 14(1) is amended by striking out "5" and substituting "5.125".*

*(3) The following is added after section 14:*

Additional contributions payable by participants

**14.1** Each participant and other prescribed person shall pay additional contributions at the rate of .125% of salary.

*(4) Section 15(1) is amended by striking out "9" and substituting "9.125".*

*(5) The following is added after section 15:*

(6) Refund of officer additional contributions.

### **Public Service Management Pension Plan Act**

**5(1)** This section will amend chapter P-34.1 of the Statutes of Alberta, 1984 (which includes amendments made by the amending Regulation Alta. Reg. 20/92).

(2) Section 14(1) presently reads:

*14(1) Subject to subsection (2), a participant shall, at the intervals prescribed by the Minister, make contributions at the rate of 5% of his salary.*

(3) Employee additional contributions.

(4) Section 15(1) presently reads:

*15(1) Except as prescribed, as long as and at the same time as a participant is making current service contributions, his employer shall make contributions at the rate of 9% of the participant's salary.*

(5) Other provisions respecting additional contributions.

Additional contributions payable by employers

**15.1** The employer of each participant or other person referred to in section 14.1 shall pay additional contributions at the rate of .125% of the person's salary.

Separate accounting for additional contributions

**15.2** The Provincial Treasurer shall ensure that a separate accounting is made and maintained in respect of additional contributions made under sections 14.1 and 15.1.

*(6) The following is added before section 32:*

Refund of employee additional contributions

**31.4** Where employee contributions are to be refunded to a person in respect of any service, additional contributions paid by the employee, with interest, shall also be paid.

### **Public Service Pension Plan Act**

*6(1) The Public Service Pension Plan Act is amended by this section.*

*(2) Section 14(1) is amended by striking out "6.25" and substituting "6.35".*

*(3) The following is added after section 14:*

Additional contributions payable by participants

**14.1** Each participant and other prescribed person shall pay additional contributions at the rate of .1% of salary.

*(4) The following is added after section 15:*

Additional contributions payable by employers

**15.1** The employer of each participant or other person referred to in section 14.1 shall pay additional contributions at the rate of .1% of the person's salary.

Contributions from Government

**15.2** The Government shall pay contributions, to be known as additional contributions, at the rate of 1/3 of 1% of the salary of each person referred to in section 14.1.

(6) Refund of employee additional contributions.

#### **Public Service Pension Plan Act**

**6(1)** This section will amend chapter P-35.1 of the Statutes of Alberta, 1984 (which includes amendments made by the amending Regulation Alta. Reg. 22/92).

(2) Increase in current service contribution rate.

(3) Employee additional contributions.

(4) Other provisions respecting additional contributions.

Separate accounting for additional contributions

**15.3** The Provincial Treasurer shall ensure that a separate accounting is made and maintained in respect of additional contributions made under sections 14.1, 15.1 and 15.2.

(5) *The following is added before section 32:*

Refund of employee additional contributions

**31.4** Where employee contributions are to be refunded to a person in respect of any service, additional contributions paid by the employee, with interest, shall also be paid.

### **Special Forces Pension Plan Act**

*7(1) The Special Forces Pension Plan Act is amended by this section.*

(2) *Section 14(1) is repealed and the following is substituted:*

Current service contributions

**14(1)** Subject to this section, a participant shall, at the interval prescribed by the Minister, make contributions at the rate of 6.95% of his salary.

(3) *The following is added after section 14:*

Additional contributions payable by participants

**14.1** Each participant and other prescribed person shall pay additional contributions at the rate of .25% of salary.

(4) *Section 15 is amended by renumbering it as section 15(2) and by adding the following before subsection (2):*

Current service contributions

**15(1)** Except as prescribed, as long as and at the same time as a participant is making current service contributions, his employer shall make contributions at the rate of 8.05% of the participant's salary.

(5) *The following is added after section 15:*



- (5) Refund of employee additional contributions.

### **Special Forces Pension Plan Act**

7(1) This section will amend chapter S-21.1 of the Statutes of Alberta, 1985 (which includes amendments made by the amending Regulation Alta. Reg. 24/92).

- (2) Section 14(1) presently reads:

*14(1) Subject to subsection (2), a participant and his employer shall, at the intervals prescribed by the Minister, make contributions at an aggregate rate of 14% of the participant's salary, and the Minister shall take the division between current service contributions and employer contributions to be that reported to him by the employer.*

- (3) Employee additional contributions.

- (4) Section 15 presently reads:

*15 An employer shall make contributions in respect of a leave of absence in such circumstances and in such amounts as are prescribed.*

- (5) Other provisions respecting additional contributions.

Additional contributions payable by employers

**15.1** The employer of each participant or other person referred to in section 14.1 shall pay additional contributions at the rate of .25% of the person's salary.

Contributions from Government

**15.2** The Government shall pay contributions, to be known as additional contributions, at the rate of .4% of the salary of each person referred to in section 14.1.

Separate accounting for additional contributions

**15.3** The Provincial Treasurer shall ensure that a separate accounting is made and maintained in respect of additional contributions made under sections 14.1, 15.1 and 15.2.

*(6) The following is added before section 32:*

Refund of employee additional contributions

**31.4** Where employee contributions are to be refunded to a person in respect of any service, additional contributions paid by the employee, with interest, shall also be paid.

#### **Universities Academic Pension Plan Act**

*8(1) The Universities Academic Pension Plan Act is amended by this section.*

*(2) Section 14(1) is amended by striking out "6" and substituting "6.18".*

*(3) The following is added after section 14:*

Additional contributions payable by participants

**14.1** Each participant and other prescribed person shall pay additional contributions at the rate of .18% of salary.

*(4) Section 15(1) is amended by striking out "7" and substituting "7.18".*

- (6) Refund of employee additional contributions.

### **Universities Academic Pension Plan Act**

**8(1)** This section will amend chapter U-6.1 of the Statutes of Alberta, 1985 (which includes amendments made by the amending Regulation Alta. Reg. 26/92).

- (2) Section 14(1) presently reads:

*14(1) Subject to this section, a participant shall, at the intervals prescribed by the Minister, make contributions at the rate of 6% of his salary.*

- (3) Employee additional contributions.

- (4) Section 15(1) presently reads:

*15(1) Except as prescribed, as long as and at the same time as current service contributions are being made, the participant's*

(5) *The following is added after section 15:*

Additional contributions payable by employers

**15.1** The employer of each participant or other person referred to in section 14.1 shall pay additional contributions at the rate of .18% of the person's salary.

Contributions from Government

**15.2** The Government shall pay contributions, to be known as additional contributions, at the rate of .31% of the salary of each person referred to in section 14.1.

Separate accounting for additional contributions

**15.3** The Provincial Treasurer shall ensure that a separate accounting is made and maintained in respect of additional contributions made under sections 14.1, 15.1 and 15.2.

(6) *The following is added before section 32:*

Refund of employee additional contributions

**31.4** Where employee contributions are to be refunded to a person in respect of any service, additional contributions paid by the employee, with interest, shall also be paid.

*9(1) Section 1(1)(u) of the Financial Administration Act is amended by striking out "or" at the end of subclause (x), by adding ", or" at the end of subclause (xi) and by adding the following after subclause (xi):*

(xii) the Pension Plan Administration Fund;

*(2) The Pension Fund Act is amended by adding the following after section 5:*

Transfers to cover plan costs

**5.1** The Provincial Treasurer shall effect the transfers from the Pension Fund referred to in section 2(5) and (6) of the *Pension Statutes Amendment and Miscellaneous Provisions Act, 1992*.

*10 For the period of one year after the commencement of section 2, section 2(6) is to be read as if*

(a) "or the revolving fund established under section 18.1 of the *Financial Administration Act*" were incorporated after "from the General Revenue Fund", and

*employer shall make contributions at the rate of 7% of the participant's salary.*

(5) Other provisions respecting additional contributions.

(6) Refund of employee additional contributions.

**9** Consequential amendments.

**10** Transitional provisions.

(b) “or to the revolving fund established under section 18.1 of the *Financial Administration Act*, as the case may be” *were incorporated after* “to the General Revenue Fund”.

*11(1) Section 1(6) comes into force one day after Assent.*

*(2) Sections 3, 4, 5, 6, 7 and 8 come into force on August 1, 1992.*

**11 Commencement.**