

2014 Bill 9

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Second Session, 28th Legislature, 63 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# BILL 9

## PUBLIC SECTOR PENSION PLANS AMENDMENT ACT, 2014

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THE PRESIDENT OF TREASURY BOARD AND MINISTER OF FINANCE

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First Reading . . . . .

Second Reading . . . . .

Committee of the Whole . . . . .

Third Reading . . . . .

Royal Assent . . . . .

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*Bill 9*

## **BILL 9**

2014

### **PUBLIC SECTOR PENSION PLANS AMENDMENT ACT, 2014**

*(Assented to , 2014)*

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

**Amends RSA 2000 cP-41**

**1** The *Public Sector Pension Plans Act* is amended by this  
Act.

#### **Part 1 Amendments to Provisions Preceding the Schedules**

**2** The provisions preceding the Schedules are amended by  
this Part.

**3** Section 1 is amended

(a) **by striking out** “sections 1 to 9.2” **and substituting** “the  
provisions preceding Schedule 1”;

(b) **by repealing clause (c).**

## Explanatory Notes

**1** Amends chapter P-41 of the Revised Statutes of Alberta 2000.

**2** Amending formula for pre-Schedule provisions.

**3** Section 1 presently reads:

*1 Apart from sections 1 to 9.2, this Act is divided into*

- (a) Schedule 1, containing part of the Local Authorities Pension Plan and other provisions relating to that pension plan,*
- (b) Schedule 2, containing part of the Public Service Pension Plan and other provisions relating to that pension plan,*
- (c) Schedule 3, containing part of the Universities Academic Pension Plan (which Plan has had its assets and liabilities transferred to a pension plan regulated under the Employment Pension Plans Act and is about to be terminated formally) and other provisions relating to that pension plan,*

**4 The following is added after section 1:**

**Part 1  
Legislated Pension Plans**

**5 Section 2 is amended**

**(a) by repealing subsection (1) and substituting the following:**

**Interpretation**

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

- (a) “accounts held on deposit” means accounts of individuals who terminated and made no termination choice to do anything other than leaving their accounts to be held on deposit;
- (b) “administrator”, used with respect to a Plan, means the Crown, as represented by the Minister while acting in the capacity of the administrator of that Plan;
- (c) “Crown” means the Crown in right of the Province of Alberta, as such;
- (d) “Minister” means the Minister determined under section 16 of the *Government Organization Act* as the Minister responsible for this Act;

- (d) *Schedule 4, containing part of the Special Forces Pension Plan and other provisions relating to that pension plan,*
- (e) *Schedule 5, containing part of the Management Employees Pension Plan and other provisions relating to that pension plan, and*
- (f) *Schedule 6, containing all or part of the Public Service Management (Closed Membership) Pension Plan and other provisions relating to that pension plan.*

**4** New compartmentalization of pre-Schedule portion of the Act to reflect potential moves to jointly sponsored pension plans, which would be non-legislated.

**5** Interpretation provisions effectively moved from s5(10) (repealed below and generalized) and Schedules, ss1(1)(c). Also, plan rules and regulations definitions made to apply to terms used in the whole Act with s1(2) of each Schedule being repealed. Also, section 2(1) presently reads:

*2(1) In this Act, "Crown" means the Crown in right of the Province of Alberta, as such.*

- (e) “trustee”, used with respect to a Plan, means the Crown, as represented by the President of Treasury Board and Minister of Finance.

**(b) by adding the following after subsection (3):**

**(4)** Definitions in a Schedule apply to expressions used in a provision in Part 1, as that provision applies with respect to the Plan in question.

**(5)** Expressions that are the subject of interpretation provisions in the plan rules of, or the regulations relating to, a particular Plan but that are not the subject of interpretation provisions in this Act as it relates to that Plan have the meanings in this Act that are assigned to those expressions by those plan rules or regulations, unless those plan rules or regulations, as the case may be, otherwise provide.

**6 Section 5 is amended**

- (a) in subsection (1) by adding “if any,” after “Board,”;**
- (b) by repealing subsection (10);**
- (c) by repealing subsection (11).**

**7 Section 7 is repealed and the following is substituted:**

**Regulations**

**7(1)** Regulations may be made generally to apply to all or to some of the pension plans referred to in section 1.

**(2)** A provision of the regulations may be made to apply with effect from a date that is prior to that on which they are filed under the *Regulations Act*.

**6** Section 5 presently reads:

*5(1) The Minister, after consulting with the relevant Board, shall establish the charge for the administration of each Plan with respect to each fiscal year, and the amount so charged is that Plan's plan costs for that year.*

*(10) Definitions in the Schedules taken together or in one of the Schedules apply to expressions used in this section.*

*(11) The Management Employees Pension Board established by Schedule 5 shall act as the Board of the Public Service Management (Closed Membership) Pension Plan for the purposes of this section.*

**7** Section 7 presently reads:

*7 Regulations under section 12 of Schedules 1 to 5 may be made generally to apply to all or to several of the pension plans referred to in section 1(a) to (e).*

(3) The Lieutenant Governor in Council may make regulations strictly limiting the allowing of and the entitlement to benefits, entitlements and other remedies to those that are provided for in this Act, the regulations or the plan rules and, with respect to the Crown and the Board, respecting their relationships with employers and their protection in relation to representations made and information provided and their failures to provide information.

**8 Section 8 is repealed and the following is substituted:**

**Continuation and partial closure of MEPP and continuation of Closed Management Plan**

**8(1)** The Management Employees Pension Plan is continued under and subject to this Part, Schedule 5 and the regulations and plan rules under Schedule 5.

(2) The Public Service Management (Closed Membership) Pension Plan is continued under and subject to the applicable provisions of this Part, Schedule 6 and the regulations under Schedule 6.

(3) Subject to subsection (4), the Management Employees Pension Plan is closed to individuals who

- (a) were not participants of that Plan at the end of 2015, or
- (b) were such participants but terminated within the prescribed meaning after 2015 and subsequently became employed or re-employed by an employer, with respect to any service after that termination.

(4) The partial closure by subsection (3) does not affect any benefits and entitlements with respect to service that constituted pensionable service under the plan rules as at the end of 2015.

**9 Section 9.2 is amended by adding the following after subsection (7):**

(8) Subsections (2)(c), (3) and (4)(c) do not apply with respect to the Management Employees Pension Plan or the Public Service Management (Closed Membership) Pension Plan.



**8** Section 8 presently reads:

*8 The Public Service Management Pension Plan is divided into, and continued as,*

- (a) the Management Employees Pension Plan under and subject to sections 1 to 12, Schedule 5 and the regulations and plan rules under Schedule 5, and*
- (b) the Public Service Management (Closed Membership) Pension Plan under and subject to sections 1 to 12, Schedule 6 and any regulations under Schedule 6.*

**9** Disapplication of some provisions of s9.2 to MEPP and Closed Public Service Management Plan consequential to abolition of the Board.

**10 The following is added before Schedule 1:**

**Post-2015 constraints and conditions for active Plans**

**13(1)** The following constraints and conditions are to apply with respect to the Plans referred to in section 1(a), (b) and (d), namely

- (a) contribution rates for required contributions in respect of pensionable service after 2015
  - (i) may not exceed the prescribed maximum rates, and
  - (ii) must be paid in the prescribed proportions by employees and employers, with the employer proportion being prescribed at not less than 50% of the total, and
- (b) the Board shall establish and maintain a funding and benefits policy that meets the prescribed conditions and that takes into account
  - (i) those maximum rates,
  - (ii) the potential for reducing benefits and declining to give cost-of-living increases that could be given, deriving from pensionable service after 2015 and resulting from the application of those maximum rates, and
  - (iii) the subsequent restoration of those benefits and giving of those forgone cost-of-living increases.

**(2)** Any other constraints or conditions that are prescribed in relation to any Plan must be met.

**Non-liability for benefit reductions or contribution increases**

**14** Where

- (a) there is a reduction in a benefit or an increase in contributions resulting from any provision in the *Public Sector Pension Plans Amendment Act, 2014* or regulations or plan rules flowing from that Act, and
- (b) the applicable provisions of this Act and its subordinate legislation have been followed,

**10** Insertion of provisions respecting constraints affecting legislated plans, civil liability, validations, non-legislated Universities Academic Pension Plan and potential jointly sponsored pension plans.

no liability attaches to the Crown, the Minister, an employer or any member of a Board at law or in equity, and no action or proceeding may be brought against such a person or entity, for any losses, costs or damages arising directly or indirectly in respect of that reduction of benefit or increase in contributions.

#### **Validations**

**15(1)** The manner in which the requirement of Ministerial orders in the definition of “employee” in the rules of the Management Employees Pension Plan and the Public Service Management (Closed Membership) Pension Plan has been actually applied in the administration of those Plans is validated as if orders had been duly made by the Minister that fully reflected the manner in which those definitions have in fact been administered.

**(2)** Alberta Regulation numbered AR 140/2010, to the extent that it amends the regulations, is validated.

**(3)** Part 5 of the *Public Sector Pension Plans (Reciprocal Bulk Transfers, 2011) Amendment Regulation* (AR 150/2011), to the extent that it applies with respect to Part 1 of that Regulation, is validated.

**(4)** The Minister’s past practices as to dealing with accounts held on deposit are validated.

**(5)** The treatment by employers of remuneration as salary for the purposes of calculating benefits in relation to that treatment is validated.

**(6)** The payment of post-1991 COLA benefits by the Minister prior to the enactment of the *Special Forces Pension Plan (COLA Increases 2006) Amendment Regulation* (AR 263/2006) is validated.



## **Part 2 Out of Legislation Pension Plans (Including Transitions to Them)**

### **Universities Academic Pension Plans transition**

**16(1)** The Lieutenant Governor in Council may make regulations dealing with any matter resulting from the withdrawal of all the employers at the end of 2000 from the legislated Universities Academic Pension Plan referred to in the repealed section 1(c) and the transfer of all its assets and liabilities to the new Universities Academic Pension Plan that was registered under the *Employment Pension Plans Act* (RSA 2000 cE-8) (in this section referred to as the “new plan”), including

- (a) provisions, as adapted, continuing the effect of sections 9 and 9.1 of the repealed Schedule 3, and
- (b) any other matter that the Lieutenant Governor in Council considers appropriate.

**(2)** The Minister, after consulting with the governing body of the new plan, in a manner and, if applicable, in accordance with a time schedule that the Minister considers appropriate, may prepay from the General Revenue Fund to the new plan’s pension fund the whole or any portion of the amount of the new plan’s unfunded liabilities for which the Crown is liable as a result of the continuing effect of section 9 of the repealed Schedule 3.

**(3)** The amount referred to in subsection (2) is to be discounted to take account of the prepayment on the basis decided by the Minister following consultation with the governing body of the new plan.

**(4)** Regulations made under subsection (1) may be made to apply with effect from the end of 2000 or any later time.

**(5)** If and when the new plan terminates, the Crown shall make all the remaining payments for which it is liable under regulations made under subsection (1), but otherwise has no liability in respect of the new plan.



**Interpretation and application for sections 17 to 20**

**17(1)** In sections 17 to 20, the following expressions have the respective meanings stated, with reference to the applicable pension plan or plans:

- (a) “Order in Council” means an order, if any, under section 18(9);
- (b) “predecessor plan” means the Plan within the meaning of section 1(1)(d) of Schedule 1, 2 or 4, as the case may be;
- (c) “prescribed” means prescribed or otherwise provided for by regulations made by the Lieutenant Governor in Council under section 18 or 19, as the case may be;
- (d) “sponsors” means, in relation to the successor plan, the persons referred to in section 18(1) or 19(3), as the case may be;
- (e) “sponsorship agreement” means the agreement referred to in sections 18(6)(a)(i) and 19(5)(a);
- (f) “successor plan” means the predecessor plan’s successor pension plan resulting from the transition, and includes the predecessor plan’s proposed or prospective successor plan before the transition and the pension fund of the plan resulting from the transition;
- (g) “transition” means the transition described in section 18(2) and includes all the steps that are provided for by and under section 18 to enable it and that enable the discretion to be exercised to make the Order in Council;
- (h) “transition date” means the date when the transition is to take effect, as specified in the Order in Council;
- (i) “trust agreement” means the agreement referred to in sections 18(6)(a)(ii) and 19(5)(b).

**(2)** Whereas if a predecessor plan transitions to a jointly sponsored successor pension plan consequentially to an Order in Council,





- (a) it will be a pension plan requiring registration under the *Employment Pension Plans Act*, and
- (b) there will be further enduring constraints and other conditions that are to apply to that successor plan and that are to be subject to the jurisdiction of the Minister rather than that of the Superintendent of Pensions,

section 19 sets out those constraints and conditions relating to the successor plan after the transition that are to be governed by and under this Act.

(3) Notwithstanding section 2(5), the definitions (other than those of “Minister” and “Crown”) and other interpretation provisions that apply with respect to a pension plan referred to in section 1 do not apply in sections 19 and 20.

#### **Transition of Plans to jointly sponsored plans under EPPA**

**18(1)** A proposed successor plan is to be sponsored during the transition process by those employers and employees under the transitioning predecessor plan, or groups or representative organizations of such employers and employees and of former employees, that are prescribed.

(2) The sponsors may make preparations, in accordance with this section, to apply to transition their Plan, as a predecessor plan, to a successor pension plan that would be

- (a) jointly sponsored by the successor plan’s sponsors,
- (b) subject to the *Employment Pension Plans Act*, and
- (c) otherwise subject to sections 17 to 20 and the regulations under them.

(3) The sponsors may establish their own procedures and processes for implementing this section.

(4) Except as prescribed, at least one month before the proposed transition date, notwithstanding that the successor plan does not yet exist,

- (a) section 19(4) must be implemented, and



- (b) the resulting board of trustees then has the necessary authority to enter into the agreements referred to in subsection (6)(b)(i),

and, if and when the transition is effected, each such agreement is deemed to be adopted by the board of trustees of the newly established successor plan, and the successor plan is bound by, and is entitled to the benefits of, each such agreement as if the successor plan had existed at the time the agreement was executed and its actual post-transition board of trustees had been a party to it.

**(5)** No liability attaches to the board of trustees (or any member of it) that enters into an agreement under subsection (4) if the transition is not effected, in which case the agreement becomes void.

**(6)** Conditions precedent to the making of the Order in Council are

- (a) that the sponsors enter into

- (i) a sponsorship agreement whose primary pre-transition purpose is to provide for the transition, and

- (ii) a trust agreement,

which agreements, at minimum, meet the applicable requirements of section 19(5) and (6),

- (b) that either

- (i) agreements have been entered into under subsection (4) between the board of trustees and the Alberta Pensions Services Corporation, on the one hand, and the Alberta Investment Management Corporation, on the other, meeting the requirements of section 19(5), or

- (ii) with respect to either or both such corporations respecting which there is no agreement referred to in subclause (i), the prescribed conditions have been met,



(c) that the Superintendent of Pensions has accepted the registration of the successor plan under the *Employment Pension Plans Act*, and

(d) those that are prescribed.

**(7)** An employer who does not wish to transition into the successor plan must be given the right to withdraw from participation in, and to cease to be an employer under, the predecessor plan pursuant to section 14 of the relevant Schedule.

**(8)** The Lieutenant Governor in Council may make regulations respecting a transition, including any provisions

- (a) on a transitional basis, as adapted, for which enduring provisions may be made under section 19(9),
- (b) respecting the authorization of the payment from the plan fund of costs incurred by the sponsors in implementing the transition and setting out the basis for such payments,
- (c) considered to be necessary or advisable for implementing the transition, and
- (d) prescribing any matter or thing that may be or is to be prescribed under this section,

and different provisions may be made for different predecessor and successor plans.

**(9)** If satisfied that the requirements of this section have been fully satisfied, the Lieutenant Governor in Council may, on the advice of the Minister following an application by the sponsors, exercise the discretion to make an order

- (a) declaring the transition to take effect on a specified date, which may not be before January 1, 2016,
- (b) closing the predecessor plan, and
- (c) ordering the transfer of the assets and liabilities of the predecessor plan into the successor plan.



**Enduring provisions for jointly sponsored pension plans**

**19(1)** This section applies to a successor plan and applies notwithstanding anything to the contrary in the *Employment Pension Plans Act* and, to the extent that there is any inconsistency between that Act or the regulations under that Act and this section or the regulations (under this Act), this section or those last-mentioned regulations prevails or prevail.

(2) The predecessor plan is continued as its successor pension plan (the successor plan) at law.

(3) The sponsors of the successor plan following the transition are those employers under, and plan members of, the successor plan, or groups or organizations, who were prescribed with reference to section 18(1), with any subsequent prescribed changes made.

(4) The successor plan is to have a board of trustees that is established, and whose members are appointed, by the sponsors, which board may, to avoid any doubt, be an incorporated body that has the capacity under law and equity to act as a trustee of a pension plan.

(5) There must be the following agreements and rules that provide for the prescribed matters, are in accordance with the prescribed requirements and are satisfactory to the Minister, namely

- (a) a sponsorship agreement dealing with the relationship between the sponsors and the successor plan and its various component parts,
- (b) a trust agreement that provides for the successor plan's trust arrangements,
- (c) an agreement, covering at least the prescribed term, between the board of trustees and the Alberta Pensions Services Corporation providing for that corporation to provide pension administrative services,
- (d) an agreement, covering at least the prescribed term, between the board of trustees and the Alberta Investment Management Corporation that meets the requirements of the *Alberta Investment Management Corporation Act*





and that deals with the provision of investment management services, and

- (e) rules for the successor plan that include provisions on the matters prescribed.

**(6)** The following constraints and conditions are to apply with respect to the successor plan, namely

- (a) contribution rates for required contributions in respect of pensionable service after 2015
  - (i) may not exceed the prescribed maximum rates, and
  - (ii) must be paid by plan members and employers as prescribed,
- (b) a funding and benefits policy must be established and maintained that meets the prescribed conditions and that takes into account
  - (i) those maximum rates,
  - (ii) the potential for reducing benefits and declining to give cost-of-living increases that could be given, deriving from service after 2015 and resulting from the application of those maximum rates, and
  - (iii) the subsequent restoration of those benefits and giving of those forgone cost-of-living increases,
- (c) an improvement in benefits may not be made so as to be effective before 2021, except to the extent that the improvement gives a benefit that could previously have been but was not given or reinstates a benefit that was reduced, during the period January 1, 2016 to December 31, 2020,
- (d) the board of trustees, and its members, of the successor plan must meet the prescribed conditions, and
- (e) any other conditions that are prescribed must be met.

**(7)** The board of trustees is the administrator of the successor plan.



- (8) All of the assets and liabilities of the predecessor plan belong to the successor plan and the board of trustees is to own all those assets and liabilities.
- (9) The Lieutenant Governor in Council may make regulations, with enduring effect,
- (a) respecting the sponsors and, if the sponsors are to be represented by a sponsorship body, respecting that body and the members of it;
  - (b) respecting the sponsorship agreements and trust agreements;
  - (c) respecting the board of trustees and trusteeship;
  - (d) defining any expression used in sections 17 to 20 for the purposes of those sections or any of their provisions;
  - (e) prescribing any matter or thing that may or is to be prescribed under this section.

**Legal incidents of the transition**

**20(1)** No liability attaches to the Crown or the Minister at law or in equity, and no action or proceeding may be brought against the Crown or the Minister, for any losses, costs or damages arising directly or indirectly in respect of the transition.

(2) On the transition's taking effect, all the rights in relation to the predecessor plan of the employers joining the successor plan and their plan members and former plan members and individuals deriving or prospectively deriving benefits through those individuals are extinguished.

(3) It is the intent of this section that the successor plan be and remain a registered pension plan under the *Income Tax Act* (Canada).

**Part 2**  
**Schedule 1 (LAPP) Amendments**

**11 Schedule 1 is amended by this Part.**

**11** Amending formula for Schedule 1 (Local Authorities Plan).

**12 Section 1 is amended**

**(a) in subsection (1)**

**(i) in clause (a) by striking out “established” and substituting “continued”;**

**(ii) by repealing clause (c);**

**(iii) by repealing clause (d) and substituting the following:**

(d) “Plan” means the Local Authorities Pension Plan contained in the applicable provisions of Part 1, this Schedule, the regulations and the plan rules, and includes the plan fund;

**(iv) in clause (f) by striking out “established under” and substituting “referred to in”;**

**(v) in clause (g) by striking out “, including amendments or repeals and replacements of existing plan rules”;**

**(b) by repealing subsection (2).**

**13 Section 2 is repealed.**

**14 Section 3 is amended**

**(a) in subsection (1) by striking out “There is hereby established a board to be known as the “Local Authorities Pension Plan Board of Trustees” ” and substituting “The Local Authorities Pension Plan Board of Trustees is continued,”;**

**(b) in subsection (2)**

**12** Schedule 1, section 1 presently reads in part:

*1(1) In this Schedule,*

- (a) “Board” means the Local Authorities Pension Plan Board of Trustees established by section 3(1);*
- (c) “Minister” means the Minister determined under section 16 of the Government Organization Act as the Minister responsible for this Act;*
- (d) “Plan” means the Local Authorities Pension Plan continued by section 2 and contained partly in the applicable provisions of this Schedule and partly in the plan rules, and includes the plan fund;*
- (f) “plan fund” means the Local Authorities Pension Plan Fund established under section 6(1);*
- (g) “plan rules” means the plan provisions made pursuant to sections 4 and 5(2), including amendments or repeals and replacements of existing plan rules;*

*(2) Where the plan rules define generally an expression used in this Schedule and not defined in subsection (1), that definition applies with respect to the interpretation of that expression unless the plan rules otherwise provide.*

**13** Schedule 1, section 2 presently reads:

*2 The pension plan provided for by and under the Local Authorities Pension Plan Act, SA 1985 cL-28.1, is continued as the Local Authorities Pension Plan under and subject to sections 1 to 9.2 of this Act, this Schedule, the regulations and the plan rules.*

**14** Schedule 1, section 3 presently reads in part:

*3(1) There is hereby established a board to be known as the “Local Authorities Pension Plan Board of Trustees” consisting of the prescribed nominees of employees, former employees, employers and the Crown.*

*(2) The objects of the Board are*

**(i) by repealing clauses (a) and (b) and substituting the following:**

(a) to make plan provisions by regulation

(i) to ensure that the Plan is funded in accordance with sections 5(2) and 4(3), and

(ii) setting the amount of pension increases under section 4(7.2),

(b) to make recommendations for the amending or repealing and replacing of plan rules under section 4(2)(a),

(b.2) to consult where consultations are provided for by this Schedule,

(b.3) to establish and maintain the funding and benefits policy referred to in section 13(1)(b) of this Act,

**(ii) in clause (e) by striking out “, and, if applicable, section 15(2)”.**

## **15 Section 4 is amended**

**(a) in subsection (1)**

**(i) by striking out the portion preceding clause (a) and substituting the following:**

### **Local Authorities Pension Plan rules**

**4(1)** The Lieutenant Governor in Council may by regulation establish plan provisions respecting

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

(a.1) the treatment of accounts held on deposit,

(a.2) vesting,

**(iii) by repealing clause (d) and substituting the following:**



- (a) *to make plan provisions by regulation to ensure that current service under the Plan is funded in accordance with sections 5(2) and 4(3),*
- (b) *to make any appropriate recommendations for the amending or repealing and replacing of plan rules under section 4(2),*
- (e) *to make recommendations pursuant to section 14(3), and, if applicable, section 15(2).*

**15** Schedule 1, section 4 presently reads in part:

*4(1) The Lieutenant Governor in Council shall by regulation establish those plan provisions that are to be included in the Plan from the time of its continuation by this Schedule and that are not fully provided for in this Schedule, including plan provisions respecting*

- (a) *participation,*
- (b) *contributions,*
- (c) *pensionable service,*
- (d) *benefits, including suspensions of pensions and adjustments to pensions relating to the cost of living,*
- (e) *the allowing and charging of interest,*

- (d) benefits, including suspensions and reinstatements of pensions and, subject to subsection (7.2), increases in pensions relating to the cost of living,

**(b) by repealing subsection (2) and substituting the following:**

**(2)** Notwithstanding subsection (1) and any other law, the Lieutenant Governor in Council may amend or repeal and replace plan rules

- (a) only on the Board's recommendation if or to the extent that the effect is to change benefits that relate to service that occurs or occurred before 2016, unless the change deals with vesting or the treatment of remuneration as salary for the purposes of calculating benefits, and
- (b) only after the Minister has consulted on the subject-matter with the Board if or to the extent that the effect is anything else (including the treatment of remuneration as salary).

**(2.1)** For the purposes of subsection (2)(b) as that clause applies with respect to any plan rules (including those on vesting) that flow directly or indirectly from amendments made to this Act by the *Public Sector Pension Plans Amendment Act, 2014*, the consultations made prior to the commencement of that clause are to be treated as having fully satisfied the requirements of that clause.

**(2.2)** Notwithstanding anything in this section, the Lieutenant Governor in Council may not make any improvement in benefits so as to be effective before 2021 except to reinstate a benefit that was reduced during the period January 1, 2016 to December 31, 2020.

**(c) in subsection (3) by striking out** “the Lieutenant Governor in Council makes any plan rules under subsection (2)” **and substituting** “, subject to subsection (2.2), the Lieutenant Governor in Council makes any plan rules”;

**(d) by repealing subsection (4) and substituting the following:**

*(2) Notwithstanding any other law, the Lieutenant Governor in Council may amend or repeal and replace existing plan rules only on the Board's recommendation.*

*(3) Where the Lieutenant Governor in Council makes any plan rules under subsection (2) that result in an improvement in benefits, the Board shall, if necessary, make adjustments to contribution rates that meet the requirements of section 5(2).*

*(4) Where a recommendation made under subsection (2) would, if adopted, have the effect of changing any of the Plan's benefits,*

*(a) the recommendation must be approved by the Board in the manner prescribed, and*

*(b) the Board shall advise the Minister of the impact of the proposed change on the Plan's funded status, solvency deficiencies and current service contribution rates.*

(4) Where any proposed plan rule change would, if adopted, have the effect of changing any of the Plan's benefits, the Board shall advise the Minister of the impact of the proposed change on the Plan's funded status, solvency deficiencies and current service contribution rates.

**(e) by adding the following after subsection (7):**

(7.1) Nothing in this Act prevents different plan rules being made for different classes of employee and, in particular, for employees who serve or served within any of the specified public safety occupations within the meaning of subsection 8500(1) of the *Income Tax Regulations* (Canada), and their employers.

(7.2) The Board may, subject to plan rules under subsection (1)(d), make plan rules setting the actual amount of the pension increases referred to in subsection (1)(d) and giving cost-of-living increases that could previously have been but were not given if the increases meet the funding requirements and, if applicable, the solvency funding requirements and comply with the tax rules and this Schedule.

**16 Section 5(2) is amended by striking out** “for current service”.

**17 Section 7(1) is amended by striking out** “any, referred to in section 15(4)” **and substituting** “applicable, referred to in section 18(8)(b) of this Act”.

**16** Schedule 1, section 5(2) presently reads:

*(2) The Board shall, if necessary, within a reasonable time after receiving the report, make plan provisions, following the recommendations of the Plan's actuary in the report, adjusting either or both the employer and employee contribution rates for current service so that those rates will meet or exceed the funding requirements and, if applicable, the solvency funding requirements.*

**17** Schedule 1, section 7(1) presently reads:

*7(1) Notwithstanding the name of the Board, the President of Treasury Board and Minister of Finance shall hold all the assets of the plan fund in trust for the sole purposes of providing benefits pursuant to the Plan and meeting plan costs and the costs, if any, referred to in section 15(4).*

**18 Section 8(3) is amended by striking out** “, if applicable, costs referred to in section 15(4)” **and substituting** “the costs, if applicable, referred to in section 18(8)(b) of this Act”.

**19 Section 12 is amended by striking out** “after consulting with the Board” **and substituting** “on the recommendation of the Minister following consultation by the Minister with the Board”.

**20 Section 14(8) is amended by adding** “and former employees and individuals deriving or prospectively deriving entitlements through those individuals” **after** “employees”.

**21 Section 15 is repealed and the following is substituted:**

**Termination of the Plan and distribution of assets**

**15** If and when the Plan terminates, benefits are payable, after payment out of all the other liabilities, only to the extent that assets are available to pay them.

**18** Schedule 1, section 8(3) presently reads:

*(3) The President of Treasury Board and Minister of Finance shall pay from the plan fund the benefits under the Plan and the plan costs and, if applicable, costs referred to in section 15(4).*

**19** Schedule 1, section 12 presently reads in Part:

*12 The Lieutenant Governor in Council may, after consulting with the Board, make regulations establishing provisions of a legislative nature that do not form part of the Plan*

**20** Schedule 1, section 14 presently reads in part:

*(8) On the transfer of the assets and liabilities, all the rights of the withdrawing employer and its employees in relation to the Plan are extinguished.*

**21** Schedule 1, section 15 presently reads:

*15(1) In this section,*

*(a) “another plan” or “the other plan” means a registered pension plan, other than the Plan, developed on the authorization of employers pursuant to subsection (4) and to which the Employment Pension Plans Act will apply or applies;*

*(b) “transfer” means the transfer under this section to the other plan’s pension fund of the liabilities and assets of the Plan relating to the terminating employers joining the other plan.*

*(2) The Board may, by a resolution passed by a majority of at least 75% of all Board members referred to in section 3(1) who are nominees of employees, former employees or employers, including a majority of the employees’ nominees and a majority of the employers’ nominees, recommend to the Minister that the whole Plan be terminated.*

*(3) Before passing the resolution, the Board must satisfy itself that the proposed recommendation has the support of persons receiving pensions under the Plan.*





*(4) After the Board has made a recommendation meeting the requirements of subsections (2) and (3) and if the Board is authorized by a majority of employers who employ at least 50% of the Plan's participants to develop a plan that will not be established by legislation, the Lieutenant Governor in Council shall make regulations allowing the charging to the plan fund of costs incurred in developing that plan.*

*(5) Those employers who do not wish to join the other plan must be given the opportunity to withdraw from the Plan under section 14 before the whole Plan is terminated.*

*(6) Before a transfer is made, the terminating employers and the legal owners of the pension fund of the other plan must indemnify the Crown in a written form acceptable to the Minister with respect to any claims that may be made by any person that arise directly or indirectly from the termination.*

*(6.1) Any liability under an indemnity given under subsection (6) by the other pension fund's legal owners is only required to be met from that pension fund itself.*

*(8) The Crown is to have no liability in respect of benefits to be provided by the other plan, and the pension fund of the other plan is to assume all such liability.*

*(9) The Lieutenant Governor in Council may make regulations establishing any further conditions of the transfer and may subsequently, if those conditions and subsections (5) and (6) have been met, authorize the transfer.*

*(10) On the transfer, all the rights of the terminating employers and their employees in relation to the Plan are extinguished.*

*(11) If this section has been complied with, the Lieutenant Governor in Council may terminate the whole Plan one year after the Board has made a recommendation meeting the requirements of subsections (2) and (3), or at any time afterwards.*

*(13) On the termination, this Schedule ceases to have any force except to the extent that any provisions of the Schedule are needed to apply the terms and conditions of the termination.*

**Part 3**  
**Schedule 2 (PSPP) Amendments**

**22** Schedule 2 is amended by this Part.

**23** Section 1 is amended

**(a)** in subsection (1)

**(i)** in clause (a) by striking out “established” and substituting “continued”;

**(ii)** by repealing clause (c);

**(iii)** by repealing clause (d) and substituting the following:

**(d)** “Plan” means the Public Service Pension Plan contained in the applicable provisions of Part 1, this Schedule, the regulations and the plan rules, and includes the plan fund;

**(iv)** in clause (g) by striking out “, 5(2) and 9(6), including amendments or repeals and replacements of existing plan rules” and substituting “and 5(2)”;

**(v)** by repealing clause (j);

**(b)** by repealing subsection (2).

**24** Section 2 is repealed.

**22** Amending formula for Schedule 2 (Public Service Pension Plan).

**23** Schedule 2, section 1 presently reads in part:

*1(1) In this Schedule,*

- (a) “Board” means the Public Service Pension Board established by section 3(1);*
- (c) “Minister” means the member of the Executive Council charged by the Lieutenant Governor in Council with the administration of this Schedule;*
- (d) “Plan” means the Public Service Pension Plan continued by section 2 and contained partly in the applicable provisions of this Schedule and partly in the plan rules, and includes the plan fund;*
- (g) “plan rules” means the plan provisions made pursuant to sections 4, 5(2) and 9(6), including amendments or repeals and replacements of existing plan rules;*
- (j) “trustee” means the President of Treasury Board and Minister of Finance or, subject to section 16(4)(b), the Board, depending on who is the trustee of the Plan by virtue of the application of section 16.*

*(2) Where the plan rules define generally an expression used in this Schedule and not defined in subsection (1), that definition applies with respect to the interpretation of that expression unless the plan rules otherwise provide.*

**24** Schedule 2, section 2 presently reads:

*2 The pension plan provided for by and under the Public Service Pension Plan Act, SA 1984 cP-35.1, is continued as the Public Service Pension Plan under and subject to sections 1 to 9.2 of this Act, this Schedule, the regulations and the plan rules.*

**25 Section 3 is amended**

- (a) in subsection (1) by striking out** “There is hereby established a board to be known as the “Public Service Pension Board” ” **and substituting** “The Public Service Pension Board is continued,”;
- (b) in subsection (2) by repealing clauses (a) and (b) and substituting the following:**
  - (a) to make plan provisions by regulation
    - (i) to ensure that the Plan is funded in accordance with sections 5(2) and 4(3), and
    - (ii) setting the amount of pension increases under section 4(7.2);
  - (b) to make recommendations for the amending or repealing and replacing of plan rules under section 4(2)(a),
  - (b.2) to consult where consultations are provided for by this Schedule,
  - (b.3) to establish and maintain the funding and benefits policy referred to in section 13(1)(b) of this Act,

**26 Section 4 is amended**

- (a) in subsection (1)**
  - (i) by striking out the portion preceding clause (a) and substituting the following:**

**Public Service Pension Plan rules**  
**4(1)** The Lieutenant Governor in Council may by regulation establish plan provisions respecting
  - (ii) by adding the following after clause (a):**
    - (a.1) the treatment of accounts held on deposit,
    - (a.2) vesting,

**25** Schedule 2, section 3 presently reads in part:

*3(1) There is hereby established a board to be known as the "Public Service Pension Board" consisting of the persons prescribed.*

*(2) The objects of the Board are*

- (a) to make plan provisions by regulation to ensure that current service under the Plan is funded in accordance with sections 5(2) and 4(3) and to set the "total required" for the purposes of section 9,*
- (b) to make any appropriate recommendations for the amending or repealing and replacing of plan rules under section 4(2),*
- (c) to set general policy guidelines on*
  - (i) the investment and management of the plan fund's assets in accordance with section 6(3) and the regulations, and*
  - (ii) the administration of the Plan**that it considers should be followed, and*
- (d) to review administrative decisions pursuant to any delegations under section 10.*

**26** Schedule 2, section 4 presently reads in part:

*4(1) The Lieutenant Governor in Council shall by regulation establish those plan provisions that are to be included in the Plan from the time of its continuation by this Schedule and that are not fully provided for in this Schedule, including plan provisions respecting*

- (a) participation,*
- (b) contributions,*
- (c) pensionable service,*
- (d) benefits, including suspensions of pensions and adjustments to pensions relating to the cost of living,*
- (e) the allowing and charging of interest,*

**(iii) by repealing clause (d) and substituting the following:**

- (d) benefits, including suspensions and reinstatements of pensions and, subject to subsection (7.2), increases in pensions relating to the cost of living,

**(b) by repealing subsection (2) and substituting the following:**

**(2)** Notwithstanding subsection (1) and any other law, the Lieutenant Governor in Council may amend or repeal and replace plan rules

- (a) only on the Board's recommendation if or to the extent that the effect is to change benefits that relate to service that occurs or occurred before 2016, unless the change deals with vesting or the treatment of remuneration as salary for the purposes of calculating benefits, and
- (b) only after the Minister has consulted on the subject-matter with the Board if or to the extent that the effect is anything else (including the treatment of remuneration as salary).

**(2.1)** For the purposes of subsection (2)(b) as that clause applies with respect to any plan rules (including those on vesting) that flow directly or indirectly from amendments made to this Act by the *Public Sector Pension Plans Amendment Act, 2014*, the consultations made prior to the commencement of that clause are to be treated as having fully satisfied the requirements of that clause.

**(2.2)** Notwithstanding anything in this section, the Lieutenant Governor in Council may not make any improvement in benefits so as to be effective before 2021 except to reinstate a benefit that was reduced during the period January 1, 2016 to December 31, 2020.

**(c) in subsection (3) by striking out “the Lieutenant Governor in Council makes any plan rules under subsection (2)” and substituting “, subject to subsection (2.2), the Lieutenant Governor in Council makes any plan rules”;**

*(2) Notwithstanding any other law, the Lieutenant Governor in Council may amend or repeal and replace existing plan rules only on the Board's recommendation.*

*(3) Where the Lieutenant Governor in Council makes any plan rules under subsection (2) that result in an improvement in benefits, the Board shall, if necessary, make adjustments to contribution rates that meet the requirements of section 5(2).*

*(4) Where a recommendation made under subsection (2) would, if adopted, have the effect of changing any of the Plan's benefits, the Board shall advise the Minister of the impact of the proposed change on the Plan's funded status, solvency deficiencies and current service contribution rates.*

**(d) by repealing subsection (4) and substituting the following:**

**(4)** Where any proposed plan rule change would, if adopted, have the effect of changing any of the Plan's benefits, the Board shall advise the Minister of the impact of the proposed change on the Plan's funded status, solvency deficiencies and current service contribution rates.

**(e) by adding the following after subsection (7):**

**(7.1)** Nothing in this Act prevents different plan rules being made for different classes of employee and, in particular, for employees who serve or served within any of the specified public safety occupations within the meaning of subsection 8500(1) of the *Income Tax Regulations* (Canada), and their employers.

**(7.2)** The Board may, subject to plan rules under subsection (1)(d), make plan rules setting the actual amount of the pension increases referred to in subsection (1)(d) and giving cost-of-living increases that could previously have been but were not given if the increases meet the funding requirements and, if applicable, the solvency funding requirements and comply with the tax rules and this Schedule.

**27 Section 5(2) is amended by striking out** "for current service".

**28 Section 7(1) is repealed and the following is substituted:**

**Trust relationship to PSPP fund**

**7(1)** The trustee shall hold all the assets of the plan fund in trust for the sole purposes of providing benefits pursuant to the Plan and meeting plan costs and the costs, if applicable, referred to in section 18(8)(b) of this Act.



**27** Schedule 2, section 5(2) presently reads:

*(2) The Board shall, if necessary, within a reasonable time after receiving the report, make plan provisions, following the recommendations of the Plan's actuary in the report, adjusting either or both the employer and employee contribution rates for current service so that those rates will meet or exceed the funding requirements and, if applicable, the solvency funding requirements.*

**28** Schedule 2, section 7(1) presently reads:

*7(1) The Plan is to have a trustee, who shall hold all the assets of the plan fund in trust for the sole purposes of providing benefits pursuant to the Plan and meeting plan costs.*

**29 Section 8(3) is amended by adding** “and the costs, if applicable, referred to in section 18(8)(b) of this Act” **after** “costs”.

**30 Section 9 is repealed.**

**29** Schedule 2, section 8(3) presently reads:

*(3) The trustee shall pay from the plan fund the benefits under the Plan and the plan costs.*

**30** Schedule 2, section 9 presently reads:

*9(1) This section and section 9.1 apply only with respect to the Plan's unfunded liability in respect of service that was recognized as pensionable service, and the benefits that were in place, as at December 31, 1991.*

*(2) The Plan's unfunded liability is to be met by the imposition of additional contributions under this section.*

*(3) The Minister shall ensure that a separate accounting is made and maintained in respect of the unfunded liability, including the application of the additional contributions.*

*(5) The additional contributions to be paid annually are as follows:*

*(a) by the Crown, additional contributions in the aggregate amount of 62.50% of the total required;*

*(b) by the employers, additional contributions, based as between different employers proportionately on the pensionable salaries of all participants who are employees of a particular employer, in the aggregate amount of 18.75% of the total required;*

*(c) by the participants, additional contributions, based as between individual participants proportionately on each person's pensionable salary, in the aggregate amount of 18.75% of the total required.*

*(6) The Board shall have*

*(a) the unfunded liability, and*

*(b) the aggregate amount of the annual additional contributions required in the years before the next actuarial valuation in order to ensure the elimination of the Plan's unfunded liability on or before December 31, 2036,*



*re-determined by the Plan's actuary at each actuarial valuation under the Plan, and the Board shall make plan provisions establishing the amount referred to in clause (b), and specifying the contribution rates payable under subsection (5)(a), (b) and (c).*

*(7) In subsection (5),*

*(a) "pensionable salary" and "pensionable salaries" have the meaning given to them by the plan rules;*

*(b) "total required" means the aggregate amount of the annual additional contributions required, as established by plan rules under subsection (6).*

*(8) The re-determination by the Plan's actuary under subsection (6) must be made with the agreement of the Minister.*

*(9) The plan rules under subsection (6) must ensure that the additional contribution requirements of that subsection meet or exceed the funding and solvency requirements except only for the extended period for the elimination of the unfunded liability.*

*(10) In subsection (1), the references to benefits that were in place as at December 31, 1991 are to be taken as including any cost-of-living adjustments initially provided by plan rules made specifically under section 4(1)(d) with regard to those benefits.*

*(11) Subject to this section, the Crown as such has no liability in respect of the unfunded liability.*

*(12) Notwithstanding section 5(1), the Board shall, when so requested by the Minister, have an actuarial valuation of the Plan performed, and a report on that valuation prepared, in respect of the unfunded liability and the service and benefits referred to in subsection (1).*

*(13) The President of Treasury Board and Minister of Finance shall advance money from the General Revenue Fund to make all payments of additional contributions required by subsection (5)(a) to be paid by the Crown.*

**31 Section 9.1 is repealed and the following is substituted:**

**Effect of elimination of pre-1992 unfunded liability**

**9.1** The actuarial valuation prepared as at December 31, 1998, having shown that the Plan's unfunded liability referred to in section 9, before its repeal, was eliminated as at that date, the Crown has no further liability in respect of that unfunded liability.

**32 Section 12 is amended**

- (a) **by striking out** "after consulting with the Board" **and substituting** "on the recommendation of the Minister following consultation by the Minister with the Board";
- (b) **by adding** "and" **at the end of clause (h), striking out** "and" **at the end of clause (i) and repealing clause (j).**

**33 The following is added before section 16:**

**Withdrawal of employer from Plan**

**14(1)** In this section, "another plan" or "the other plan" means a registered pension plan, other than the Plan, established by the withdrawing employer and to which the *Employment Pension Plans Act* applies.

**(2)** An employer may withdraw from participation in, and cease to be an employer for the purposes of, the Plan and have a portion of the Plan's liabilities and assets transferred to another plan if the conditions set out in and the requirements of this section are met.

**(4)** The Lieutenant Governor in Council, on the recommendation of the Minister, may make regulations, which treat all employers in an even-handed manner, establishing

**31** Schedule 2, section 9.1 presently reads:

*9.1 If an actuarial valuation referred to in section 9 shows that the Plan's unfunded liability has been eliminated as at the effective date of the valuation, then, with respect to any period after that date,*

- (a) any additional contributions paid are to be considered for the purposes of the plan rules as contributions in excess of what was payable and dealt with accordingly,*
- (b) the Crown has no further liability in respect of that unfunded liability, and*
- (c) section 9, other than section 9(1), is to be regarded as having no effect.*

**32** Schedule 2, section 12 presently reads in part:

*12 The Lieutenant Governor in Council may, after consulting with the Board, make regulations establishing provisions of a legislative nature that do not form part of the Plan*

- (j) establishing general terms and conditions for entry to and exit from the Plan.*

**33** Withdrawal of employers; Termination of the plan and distribution of assets.

- (a) the bases for withdrawals under this section,
- (b) the method by which withdrawals under this section are to be made, and
- (c) other terms and conditions for those withdrawals.

**(5)** Before any assets are transferred under this section, the withdrawing employer and the legal owners of the pension fund of the other plan must indemnify the Crown in a written form acceptable to the Minister with respect to any claims that may be made by any person that arise directly or indirectly from the withdrawal.

**(5.1)** Any liability under an indemnity given under subsection (5) by the other pension fund's legal owners is only required to be met from that pension fund itself.

**(7)** The Crown is to have no liability in respect of benefits to be provided by the other plan, and the pension fund of the other plan is to assume all such liability.

**(8)** On the transfer of the assets and liabilities, all the rights of the withdrawing employer and its employees and former employees and individuals deriving or prospectively deriving entitlements through those individuals in relation to the Plan are extinguished.

**Termination of the Plan and distribution of assets**

**15** If and when the Plan terminates, benefits are payable, after payment out of all the other liabilities, only to the extent that assets are available to pay them.

**34 Section 16 is repealed.**



**34** Schedule 2, section 16 presently reads:

*16(1) The Board is the trustee of the Plan.*

*(2) Repealed by Revision.*

*(3) All the assets and liabilities of the plan fund belong to the Board as trustee.*

*(4) Notwithstanding subsection (1) but subject to subsection (7), all the Board's duties, powers and functions as trustee, except its legal*



*ownership of the assets of the plan fund, are deemed to have been delegated by it to the President of Treasury Board and Minister of Finance and, while that deemed delegation remains in force,*

- (a) neither the trustee nor the individual members of the Board have any duty, power or liability for ensuring that those duties, powers and functions deemed to have been delegated are performed or exercised or performed or exercised properly, and the Crown indemnifies them in that respect, and*
- (b) references in this Schedule to the trustee, so far as they relate to the performance or exercise of those duties, powers or functions, are to be taken as references to the President of Treasury Board and Minister of Finance.*

*(5) The Board shall review the responsibilities of the trustee, the President of Treasury Board and Minister of Finance and the Minister approximately every 5 years from the previous review.*

*(6) The Board may request the President of Treasury Board and Minister of Finance in writing to cancel the deemed delegation under this section, and the President of Treasury Board and Minister of Finance may in writing cancel it.*

*(7) If the President of Treasury Board and Minister of Finance cancels the deemed delegation pursuant to subsection (6), notwithstanding anything in this Schedule to the contrary,*

- (a) the President of Treasury Board and Minister of Finance ceases to have any power, duty or liability, and the Board and its members assume full responsibility, in relation to the trusteeship of the Plan,*
- (b) the Minister ceases to be the administrator of the Plan, and*
- (c) the Lieutenant Governor in Council may make regulations
  - (i) providing for the transition to the new arrangements referred to in clauses (a) and (b), and*
  - (ii) providing that any provision of this Schedule ceases to apply or modifying any such provision,**

*and may make any other regulations necessary to achieve that transition, including making the Board a corporation.*

**Part 4  
Schedule 3 (Former  
Statutory UAPP) Repeal**

**35 Schedule 3 is repealed.**

**Part 5  
Schedule 4 (SFPP) Amendments**

**36 Schedule 4 is amended by this Part.**

**37 Section 1 is amended**

**(a) in subsection (1)**

**(i) in clause (a) by striking out “established” and substituting “continued”;**

**(ii) in clause (b.2) by striking out “section 6.1(1)” and substituting “, and closed by, section 6.1”;**

**(iii) by repealing clause (c);**

**(iv) by repealing clause (d) and substituting the following:**

**(d) “Plan” means the Special Forces Pension Plan contained in the applicable provisions of Part 1, this Schedule, the regulations and the plan rules, and includes the plan fund and the indexing fund;**

**(v) in clause (d) by striking out “and the indexing fund”;**

**(vi) in clause (f) by adding “, including the assets and liabilities transferred into it under section 6.2(1) with the changes to trust purposes referred to in section 6.2(2)” after “6(1)”;**

**(vii) in clause (g) by striking out “, including amendments or repeals and replacements of existing plan rules”;**

**(b) by repealing subsection (2).**

**35** Schedule 3 provided in detail for the old Universities Academic Pension, which was replaced at the end of 2000/beginning of 2001 with a new pension plan under the Employment Pension Plans Act.

**36** Amending formula for Schedule 4 (Special Forces Pension Plan).

**37** Schedule 4, section 1 presently reads in part:

*1(1) In this Schedule,*

- (a) "Board" means the Special Forces Pension Board established by section 3(1);*
- (b.2) "indexing fund" means the Special Forces Pension Indexing Fund referred to in section 6.1(1);*
- (c) "Minister" means the member of the Executive Council charged by the Lieutenant Governor in Council with the administration of this Schedule;*
- (d) "Plan" means the Special Forces Pension Plan continued by section 2 and contained partly in the applicable provisions of this Schedule and partly in the plan rules, and includes the plan fund and the indexing fund;*
- (f) "plan fund" means the Special Forces Pension Plan Fund referred to in section 6(1);*
- (g) "plan rules" means the plan provisions made pursuant to sections 4 and 5(2), including amendments or repeals and replacements of existing plan rules;*
- (g.1) "post-1991 COLA benefits" means pension increases referred to in section 4(1)(j) and (9);*
- (g.2) "post-1991 COLA contributions" means contributions referred to in section 4(1)(i) and (8);*

**38 Section 2 is repealed.**

**39 Section 3 is amended**

**(a) in subsection (1) by striking out** “There is hereby established a board to be known as the “Special Forces Pension Board” ” **and substituting** “The Special Forces Pension Board is continued,”;

**(b) in subsection (2)**

**(i) in clause (a)(i) by striking out** “current service under”;

**(ii) by repealing clause (b) and substituting the following:**

(b) to make recommendations for the amending or repealing and replacing of plan rules under section 4(2)(a),

(b.2) to consult where consultations are provided for by this Schedule,

(b.3) to establish and maintain the funding and benefits policy referred to in section 13(1)(b) of this Act,

**(iii) in clause (c)**

**(A) by repealing subclause (i) and substituting the following:**

(i) the investment and management of the plan fund’s assets in accordance with section 6(3) and the regulations, and

*(2) Where the plan rules define generally an expression used in this Schedule and not defined in subsection (1), that definition applies with respect to the interpretation of that expression unless the plan rules otherwise provide.*

**38** Schedule 4, section 2 presently reads:

*2 The pension plan provided for by and under the Special Forces Pension Plan Act, SA 1985 cS-21.1, is continued as the Special Forces Pension Plan under and subject to sections 1 to 9.2 of this Act, this Schedule, the regulations and the plan rules.*

**39** Schedule 4, section 3 presently reads in part:

*3(1) There is hereby established a board to be known as the "Special Forces Pension Board" consisting of the persons prescribed.*

*(2) The objects of the Board are*

*(a) to make plan provisions by regulation*

*(i) to ensure that current service under the Plan is funded in accordance with sections 5(2) and 4(3), and*

*(ii) setting post-1991 COLA contributions and benefits,*

*(b) to make any appropriate recommendations for the amending or repealing and replacing of plan rules under section 4(2),*

*(c) to set general policy guidelines on*

*(i) the investment and management of*

*(A) the plan fund's assets in accordance with section 6(3), and*

*(B) the indexing fund's assets in accordance with section 6.1(3),*

*and the regulations, and*

*(ii) the administration of the Plan*

*that it considers should be followed,*

- (B) by adding “and” after “followed,”;**
- (iv) by repealing clauses (f) and (g).**

**40 Section 4 is amended**

**(a) in subsection (1)**

- (i) by striking out the portion preceding clause (a) and substituting the following:**

**Special Forces Pension Plan rules**

**4(1)** The Lieutenant Governor in Council may by regulation establish plan provisions respecting

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

(a.1) the treatment of accounts held on deposit,

(a.2) vesting,

- (iii) in clause (d) by striking out “adjustments to” and substituting “increases in”;**

- (iv) by adding “and” at the end of clause (i), by striking out “and” at the end of clause (j) and by repealing clause (k);**

- (b) by repealing subsection (2) and substituting the following:**

**(2)** Notwithstanding subsection (1) and any other law, the Lieutenant Governor in Council may amend or repeal and replace plan rules

- (a) only on the Board’s recommendation if or to the extent that the effect is to change benefits that relate to service that occurs or occurred before 2016, unless the change



- (d) *to review administrative decisions pursuant to any delegations under section 10,*
- (f) *to authorize the transfer of any surpluses referred to in section 4(1)(k), and*
- (g) *to recommend transfers from the indexing fund to the plan fund under section 6.2.*

**40** Schedule 4, section 4 presently reads in part:

*4(1) The Lieutenant Governor in Council shall by regulation establish those plan provisions that are to be included in the Plan from the time of its continuation by this Schedule and that are not fully provided for in this Schedule, including plan provisions respecting*

- (a) *participation,*
- (b) *contributions,*
- (c) *pensionable service,*
- (d) *benefits, including suspensions of pensions and adjustments to pensions relating to the cost of living based on service that occurred before 1992,*
- (e) *the allowing and charging of interest,*
- (f) *reciprocal agreements, other than affecting another pension plan established or continued by Alberta legislation,*
- (g) *beneficiaries,*
- (h) *the bases for actuarial adjustments,*
- (i) *the imposition on employers and employees of contributions for the purpose of funding cost-of-living increases with respect to pensionable service occurring after 1991, except for setting the rates of those contributions,*
- (j) *increases in pensions of persons who have paid post-1991 COLA contributions, based on pensionable service occurring after 1991, to mitigate the effects of the increased cost of*

deals with vesting or the treatment of remuneration as salary for the purposes of calculating benefits, and

- (b) only after the Minister has consulted on the subject-matter with the Board if or to the extent that the effect is anything else (including the treatment of remuneration as salary).

**(2.1)** For the purposes of subsection (2)(b) as that clause applies with respect to any plan rules (including those on vesting) that flow directly or indirectly from amendments made to this Act by the *Public Sector Pension Plans Amendment Act, 2014*, the consultations made prior to the commencement of that clause are to be treated as having fully satisfied the requirements of that clause.

**(2.2)** Notwithstanding anything in this section, the Lieutenant Governor in Council may not make any improvement in benefits so as to be effective before 2021 except to reinstate a benefit that was reduced during the period January 1, 2016 to December 31, 2020.

- (c) in subsection (3) by striking out** “the Lieutenant Governor in Council makes any plan rules under subsection (2)” **and substituting** “, subject to subsection (2.2), the Lieutenant Governor in Council makes any plan rules”;

- (d) by repealing subsection (4) and substituting the following:**

**(4)** Where any proposed plan rule change would, if adopted, have the effect of changing any of the Plan’s benefits, the Board shall advise the Minister of the impact of the proposed change on the Plan’s funded status, solvency deficiencies and current service contribution rates.

- (e) by adding the following after subsection (7):**

**(7.1)** Nothing in this Act prevents different plan rules being made for different classes of employee.

- (f) in subsection (9) by striking out** “, subject to subsection (10) and the *Employment Pension Plans Act*,”;

- (g) in subsection (10) by repealing clauses (a) and (b).**

*living, except for setting the actual amounts of those increases, and*

*(k) subject to the Employment Pension Plans Act, the transfer by the President of Treasury Board and Minister of Finance, on the authorization of the Board, of surpluses, if any, in excess of amounts required for the proper funding of benefits with reference to pensionable service after 1991, from the plan fund to the indexing fund.*

*(2) Notwithstanding any other law, the Lieutenant Governor in Council may amend or repeal and replace existing plan rules only on the Board's recommendation.*

*(3) Where the Lieutenant Governor in Council makes any plan rules under subsection (2) that result in an improvement in benefits, the Board shall, if necessary, make adjustments to contribution rates that meet the requirements of section 5(2).*

*(4) Where a recommendation made under subsection (2) would, if adopted, have the effect of changing any of the Plan's benefits, the Board shall advise the Minister of the impact of the proposed change on the Plan's funded status, solvency deficiencies and current service contribution rates.*

*(8) The Board may make plan rules setting the rates of contributions referred to in subsection (1)(i).*

*(9) The Board may, subject to subsection (10) and the Employment Pension Plans Act, make plan rules setting the actual amounts of the pension increases referred to in subsection (1)(j).*

*(10) Notwithstanding anything in subsections (1)(j) and (9), any particular post-1991 COLA benefit increase may be made only if*

*(a) the indexing fund, before the transfer under section 6.2, contains assets at least equal in value to the amount certified by the Plan's actuary to be the actuarial present value of the particular increase over the expected remaining lifetimes of all persons who stand to benefit by the increase,*

*(b) the increase is to be paid from the plan fund,*

*(c) the Plan meets the funding requirements and, if applicable, the solvency funding requirements, and*

*(d) the increase complies with the tax rules and this Schedule.*

**41 Section 5(2) is amended by striking out** “for current service”.

**42 Section 6 is amended**

- (a) **in subsection (2) by striking out** “but this subsection does not apply to the assets and liabilities of the indexing fund” **and substituting** “including the assets and liabilities transferred or to be transferred under section 6.2(1)”;
- (b) **in subsection (3) by adding** “, taking into account section 6.2,” **after** “benefit”.

**43 Sections 6.1 and 6.2 are repealed and the following is substituted:**

**Closure of indexing fund**

**6.1** The Special Forces Pension Indexing Fund existing under this Act immediately before the commencement of this section is closed.

**Transfer of indexing fund’s assets and liabilities to plan fund**

**6.2(1)** The trustee shall transfer all the assets and liabilities of the indexing fund to the plan fund on the prescribed basis.

**41** Schedule 4, section 5(2) presently reads:

*(2) The Board shall, if necessary, within a reasonable time after receiving the report, make plan provisions, following the recommendations of the Plan's actuary in the report, adjusting either or both the employer and employee contribution rates for current service (other than the post-1991 COLA contribution rates established by the Board's plan rules under section 4(8)) so that those rates will meet or exceed the funding requirements and, if applicable, the solvency funding requirements.*

**42** Schedule 4, section 6 presently reads in part:

*(2) All the assets of the Plan are to be held in, and all its liabilities are to be assumed by, the plan fund, but this subsection does not apply to the assets and liabilities of the indexing fund.*

*(3) The President of Treasury Board and Minister of Finance shall, following the general policy guidelines made for the purposes of section 3(2)(c),*

*(a) invest the assets of the plan fund in accordance with the Employment Pension Plans Act and the regulations under it notwithstanding anything to the contrary in the Financial Administration Act, and*

*(b) manage those assets*

*for the sole benefit of the persons entitled to benefits under the Plan.*

**43** Schedule 4, sections 6.1 and 6.2 presently read:

*6.1(1) The President of Treasury Board and Minister of Finance shall hold and administer the Special Forces Pension Indexing Fund in accordance with this Schedule and the regulations.*

*(2) The purposes of the indexing fund are to receive post-1991 COLA contributions, and surpluses referred to in section 4(1)(k), to accumulate income deriving from those contributions and surpluses and to enable payment to those entitled under the Plan of post-1991 COLA benefits.*

*(3) The President of Treasury Board and Minister of Finance shall, following in a general manner the policy guidelines made for the*

(2) The trust purposes and other conditions applicable to the indexing fund immediately before its closure are ended and the trust purposes and conditions attached to the assets and liabilities transferred or to be transferred under subsection (1) become and are those of the plan fund, with the consequential changes in the composition of the beneficiaries created by the closure of the indexing fund and the transfer or prospective transfer of assets and liabilities to the plan fund.

(3) The Lieutenant Governor in Council may make regulations providing for any transitional aspect of the transfer referred to in subsection (1) and the transition generally from the indexing fund to the plan fund.

(4) No liability attaches to the Crown, the Minister or any member of the Board at law or in equity, and no action or proceeding may be brought against the Crown, the Minister or a member of the Board, for any losses, costs or damages arising directly or indirectly in respect of the closure of the indexing fund or the transfer of assets and liabilities under this section to the plan fund or the provision of benefits under cost-of-living increase provisions paid before or after the commencement of this subsection.

(5) Notwithstanding anything in this Schedule, the assets of the plan fund include those assets, and the liabilities of the plan fund include those liabilities, that are to be or were transferred under subsection (1), having regard to the change in the trust purposes and conditions referred to in subsection (2).

#### **44 Section 7 is amended**

- (a) **by repealing subsection (1) and substituting the following:**

##### **Trust relationship to plan fund**

**7(1)** The trustee shall hold all the assets of the plan fund, including those transferred from the indexing fund under the changed trust purposes, in trust for the sole purposes of providing benefits (including post-1991 COLA benefits) pursuant to the Plan and meeting plan costs and the costs, if applicable, referred to in section 18(8)(b) of this Act.

*purposes of section 3(2)(c), invest and manage the assets of the indexing fund in accordance with the prescribed requirements for the sole benefit of the persons entitled under the Plan to post-1991 COLA benefits.*

*6.2 If the Board has set the amount of a particular increase pursuant to section 4(9) and the conditions set out in section 4(10) have been met for that increase, the President of Treasury Board and Minister of Finance shall, on the recommendation of the Board, transfer from the indexing fund to the plan fund the certified amount referred to in section 4(10)(a).*

**44** Schedule 4, section 7 presently reads:

*7(1) The President of Treasury Board and Minister of Finance shall hold all the assets of*

- (a) the plan fund in trust for the sole purposes of providing benefits (including, subject to clause (b), post-1991 COLA benefits) pursuant to the Plan and meeting plan costs, subject, however, to any right to transfer surpluses pursuant to plan provisions referred to in section 4(1)(k), and*
- (b) the indexing fund in trust for the sole purposes of enabling the payment from the plan fund of post-1991 COLA benefits following transfers under section 6.2.*

- (b) **in subsection (2) by striking out** “Subject to plan provisions referred to in section 4(1)(k), the” **and substituting** “The”;
- (c) **by repealing subsection (2.1);**
- (d) **in subsection (3)**
  - (i) **by striking out** “or the indexing fund”;
  - (ii) **by striking out** “(1)(a) or (b), as the case may be” **and substituting** “(1)”.

**45 Section 8 is amended**

- (a) **by repealing subsections (1) and (2) and substituting the following:**

**Contributions, accretion, benefits and costs**

**8(1)** The trustee shall deposit all contributions to the Plan, including post-1991 COLA contributions, with interest, if any, paid on them, into the plan fund, directly on receiving them.

**(2)** All income of and all appreciation and depreciation in the value of the assets of the plan fund accrue to the plan fund.

- (b) **in subsection (3) by adding** “and the costs, if applicable, referred to in section 18(8)(b) of this Act” **after** “costs”.

**46 Section 9 is amended by adding the following after subsection (13):**

**(14)** The President of Treasury Board and Minister of Finance, after consulting with the Board, in a manner and, if applicable, in accordance with a time schedule that that minister considers



*(2) Subject to plan provisions referred to in section 4(1)(k), the assets of the plan fund belong beneficially to the persons entitled to benefits under the Plan.*

*(2.1) The assets of the indexing fund belong beneficially to the persons entitled to post-1991 COLA benefits, subject to transfers made under section 6.2.*

*(3) The Crown has no claim to any of the assets of the plan fund or the indexing fund and shall not apply or allow the diversion of any of those assets for any purpose not mentioned in subsection (1)(a) or (b), as the case may be.*

**45** Schedule 4, section 8 presently reads:

*8(1) The President of Treasury Board and Minister of Finance shall deposit*

*(a) all contributions to the Plan, except post-1991 COLA contributions, with interest, if any, paid on them, into the plan fund, and*

*(b) all post-1991 COLA contributions, with interest, if any, paid on them, into the indexing fund*

*directly on receiving them.*

*(2) All income of and all appreciation and depreciation in the value of the assets of*

*(a) the plan fund accrue to the plan fund, and*

*(b) the indexing fund accrue to the indexing fund.*

*(3) The President of Treasury Board and Minister of Finance shall pay all benefits and the plan costs from the plan fund.*

**46** Pre-1992 unfunded liabilities - prepayment.

appropriate, may prepay from the General Revenue Fund to the plan fund the whole or any portion of the amount of the unfunded liabilities for which the Crown is liable as a result of this section.

**(15)** The amount referred to in subsection (14) is to be discounted to take account of the prepayment on the basis decided by the President of Treasury Board and Minister of Finance following consultation with the Board.

**47 Section 12 is amended**

- (a) by striking out** “after consulting with the Board” **and substituting** “on the recommendation of the Minister following consultation by the Minister with the Board”;
- (b) by repealing clause (c) and substituting the following:**
  - (c) respecting the plan fund, including the management and investment of its assets,
- (c) in clause (d) by striking out** “, the plan fund and the indexing fund” **and substituting** “and the plan fund”;
- (d) by adding the following after clause (d):**
  - (d.1) respecting the auditing of the transitional arrangements referred to in section 6.2,

**48 The following is added at the end of the Schedule:**

**Withdrawal of employer from Plan**

**14(1)** In this section, “another plan” or “the other plan” means a registered pension plan, other than the Plan, established by the withdrawing employer and to which the *Employment Pension Plans Act* applies.

**(2)** An employer may withdraw from participation in, and cease to be an employer for the purposes of, the Plan and have a portion of the Plan’s liabilities and assets transferred to another plan if the conditions set out in and the requirements of this section are met.

**47** Schedule 4, section 12 presently reads in part:

*12 The Lieutenant Governor in Council may, after consulting with the Board, make regulations establishing provisions of a legislative nature that do not form part of the Plan*

- (c) respecting the plan fund and the indexing fund, including the management and investment of their assets,*
- (d) respecting the auditing of the Plan, the plan fund and the indexing fund,*

**48** Employer withdrawals and termination of the Plan and distribution of assets.

(4) The Lieutenant Governor in Council, on the recommendation of the Minister, may make regulations, which treat all employers in an even-handed manner, establishing

- (a) the bases for withdrawals under this section,
- (b) the method by which withdrawals under this section are to be made, and
- (c) other terms and conditions for those withdrawals.

(5) Before any assets are transferred under this section, the withdrawing employer and the legal owners of the pension fund of the other plan must indemnify the Crown in a written form acceptable to the Minister with respect to any claims that may be made by any person that arise directly or indirectly from the withdrawal.

(5.1) Any liability under an indemnity given under subsection (5) by the other pension fund's legal owners is only required to be met from that pension fund itself.

(7) The Crown is to have no liability in respect of benefits to be provided by the other plan, and the pension fund of the other plan is to assume all such liability.

(8) On the transfer of the assets and liabilities, all the rights of the withdrawing employer and its employees and former employees and individuals deriving or prospectively deriving entitlements through those individuals in relation to the Plan are extinguished.

#### **Termination of the Plan and distribution of assets**

**15** If and when the Plan terminates,

- (a) the Crown shall make all the remaining payments for which it is liable under section 9 and payments equivalent in value to the guarantee provided for by section 9(11), and
- (b) subject to clause (a), benefits are payable, after payment out of all the other liabilities, only to the extent that assets are available to pay them.



**Part 6**  
**Schedule 5 (MEPP) Amendments**

**49 Schedule 5 is amended by this Part.**

**50 Section 1 is amended**

**(a) in subsection (1)**

**(i) in clause (a) by striking out “established” and substituting “continued”;**

**(ii) by repealing clause (a);**

**(iii) by repealing clause (c);**

**(iv) by repealing clause (d) and substituting the following:**

(d) “Plan” means the Management Employees Pension Plan contained in the applicable provisions of Part 1, this Schedule, the regulations and the plan rules, and includes the plan fund;

**(v) in clause (g) by striking out “, including amendments or repeals and replacements of existing plan rules”;**

**(b) by repealing subsection (2).**

**51 Section 2.1(2)(a) is amended by striking out “or whether” and substituting “on whether”.**

**52 Section 3 is amended**

**(a) in subsection (1) by striking out “There is hereby established a board to be known as the “Management Employees Pension Board” ” and substituting “The Management Employees Pension Board is continued,”;**

**(b) in subsection (2)(b.1) by striking out “with the Minister”.**

**49** Amending formula for Schedule 5 (Management Employees Pension Plan).

**50** Schedule 5, section 1 presently reads in part:

*1(1) In this Schedule,*

- (a) “Board” means the Management Employees Pension Board established by section 3(1);*
- (c) “Minister” means the member of the Executive Council charged by the Lieutenant Governor in Council with the administration of this Schedule;*
- (d) “Plan” means the portion of the old plan continued by section 8 of this Act as the Management Employees Pension Plan and contained partly in the applicable provisions of this Schedule and partly in the plan rules, and includes the plan fund;*
- (g) “plan rules” means the plan provisions made pursuant to sections 4, 5(3) and 9(6), including amendments or repeals and replacements of existing plan rules;*

*(2) Where the plan rules define generally an expression used in this Schedule and not defined in subsection (1), that definition applies with respect to the interpretation of that expression unless the plan rules otherwise provide.*

**51** Correction of obvious error.

**52** Schedule 5, section 3 presently reads:

*3(1) There is hereby established a board to be known as the “Management Employees Pension Board” consisting of the persons prescribed.*

*(2) The objects of the Board are*

**53 Section 3 is repealed.**

**54 Section 4 is amended**

**(a) in subsection (1)**

**(i) by striking out the portion preceding clause (a) and substituting the following:**

**Management Employees Pension Plan rules**

**4(1)** The Lieutenant Governor in Council may by regulation establish plan provisions respecting



- (a.1) to advise the Minister on any pension matter that is of interest to persons receiving or entitled in the future to receive benefits under the Plan,*
- (b.1) to consult with the Minister where consultations are provided for by this Schedule,*
- (c) to set general policy guidelines on*
  - (i) the investment and management of the plan fund's assets in accordance with section 6(3) and the regulations, and*
  - (ii) the administration of the Plan**that it considers should be followed,*
- (d) to review administrative decisions pursuant to any delegations under section 10, and*
- (g) to perform the activities in relation to the closed plan that are assigned to it by section 5(11) of this Act and Schedule 6.*
- (3) Members of the Board, while acting as such, shall comply with, and are bound by, any provisions respecting conflicts of interest prescribed with respect to this Plan.*
- (4) The Board and its members have the powers and duties prescribed and those set out in this Schedule.*
- (6) The guidelines referred to in subsection (2)(c) are exempt from the Regulations Act.*

**53** Reference is made to Note 52.

**54** Schedule 5, section 4 presently reads in part:

*4(1) The Lieutenant Governor in Council shall by regulation establish those plan provisions that are to be included in the Plan from the time of its continuation by section 8 of this Act and that are not fully provided for in this Schedule, including plan provisions respecting*

- (a) participation,*
- (b) contributions,*

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

(a.1) the treatment of accounts held on deposit,

(a.2) vesting,

**(iii) in clause (d) by striking out “adjustments to” and substituting “increases in”;**

**(b) by repealing subsection (2) and substituting the following:**

**(2)** Notwithstanding subsection (1) and any other law, the Lieutenant Governor in Council may amend or repeal and replace plan rules only after the Minister has consulted on the subject-matter with the Board.

**(c) by repealing subsection (2);**

**(d) by adding the following after subsection (2):**

**(2.1)** For the purposes of subsection (2) as that subsection applies with respect to any plan rules (including those on vesting) that flow directly or indirectly from amendments made to this Act by the *Public Sector Pension Plans Amendment Act, 2014*, the consultations made prior to the commencement of that clause are to be treated as having fully satisfied the requirements of that clause.

**(2.2)** Notwithstanding anything in this section, the Lieutenant Governor in Council may not make any improvement in benefits so as to be effective before 2021 except to reinstate a benefit that was reduced during the period January 1, 2016 to December 31, 2020.

**(2.3)** To the extent that any plan rule changes have a detrimental effect on any benefits with respect to pensionable service that occurred before 2016, those changes may not have any degree of retrospective application.

**(e) by repealing subsection (2.1);**

**(f) in subsection (3) by adding “that, subject to subsection (2.2), are made” after “amendments”;**

**(g) by adding the following after subsection (7):**

*(c) pensionable service,*

*(d) benefits, including suspensions of pensions and adjustments to pensions relating to the cost of living,*

*(2) Notwithstanding any other law, the Lieutenant Governor in Council may amend or repeal and replace existing plan rules only after consulting with the Board and, to the extent that the plan rule changes have a detrimental effect on any benefits under the Plan, those changes may not have any degree of retrospective application or apply to any service before the date when the changes come into force.*

*(3) Any amendments to plan rules made under this section that result in an improvement in benefits must be accompanied, if necessary, with adjustments to contribution rates pursuant to section 5(2) and (3).*

**(7.1)** Nothing in this Act prevents different plan rules being made for different classes of employee and, in particular, for employees who serve or served within any of the specified public safety occupations within the meaning of subsection 8500(1) of the *Income Tax Regulations* (Canada), and their employers.

**55 Section 5 is amended**

- (a) in subsection (1) by striking out** “, in consultation with the Board,”;
- (b) in subsection (2)**
  - (i) by striking out** “and after consulting with the Board”;
  - (ii) by striking out** “for current service”.

**56 Section 9 is amended by adding the following at the end:**

**(14)** The President of Treasury Board and Minister of Finance, in a manner and, if applicable, in accordance with a time schedule that that minister considers appropriate, may prepay from the General Revenue Fund to the plan fund the whole or any portion of the amount of the unfunded liabilities for which the Crown is liable as a result of the continuing effect of this section.

**(15)** The amount referred to in subsection (14) is to be discounted to take account of the prepayment on the basis decided by the President of Treasury Board and Minister of Finance.

**57 Section 10 is repealed.**

**55** Schedule 5, section 5 presently reads in part:

*5(1) The Minister, in consultation with the Board, shall have an actuarial valuation of the Plan performed, and a report on that valuation prepared, by the Plan's actuary at least once every 3 years.*

*(2) The Minister shall, if necessary, within a reasonable time after receiving the report and after consulting with the Board, make a recommendation to the Lieutenant Governor in Council to make plan rules, following the recommendations of the Plan's actuary in the report, adjusting either or both the employer and employee contribution rates for current service so that those rates will meet or exceed the funding requirements and, if applicable, the solvency funding requirements.*

**56** Prepayment of pre-1992 unfunded liabilities.

**57** Schedule 5, section 10 presently reads:

*10 Without limiting the Minister's prescribed responsibilities for the administration of the Plan, the Minister may in writing delegate*

**58(1) Section 12 is amended**

- (a) in subsections (1) and (5) by striking out “after consulting with the Board” and substituting “on the recommendation of the Minister following consultation by the Minister with the Board”;
- (b) in subsection (1.1) by striking out “(1)(k)” and substituting “(1)(j)”.

**(2) Section 12 is amended**

- (a) in subsections (1) and (5) by striking out “, on the recommendation of the Minister following consultation by the Minister with the Board,”;
- (b) in subsection (1) by repealing clause (a).

**59 Section 12.1 is repealed.**

**60 The following is added at the end of the Schedule:**

**Termination of the Plan and distribution of assets**

**15** If and when the Plan terminates,

- (a) the Crown shall make all the remaining payments for which it is liable under section 9 and payments equivalent in value to the guarantee provided for by section 9(11), and
- (b) subject to clause (a), benefits are payable, after payment out of all the other liabilities, only to the extent that assets are available to pay them.

*to the Board the power to review those administrative decisions of the Minister that are specified in the delegation.*

**58** Correction of a 2000 Revision error. Schedule 5, section 12 presently reads in part:

*12(1) The Lieutenant Governor in Council may, after consulting with the Board, make regulations establishing provisions of a legislative nature that do not form part of the Plan*

*(a) respecting remuneration and expenses payable to members of the Board and respecting their selection,*

*(5) The Lieutenant Governor in Council may, after consulting with the Board, make regulations establishing or continuing one or more supplementary pension plans and funds that provide for additional benefits within the tax rules.*

**59** Schedule 5, section 12.1 presently reads:

*12.1 If regulations under the Alberta Public Agencies Governance Act apply in respect of remuneration, expenses or the selection of members referred to in section 12(1)(a), those regulations prevail, to the extent of any conflict or inconsistency, over any regulations made under section 12(1)(a).*

**60** Termination of the Plan and distribution of assets.

**Part 7**  
**Schedule 6 (PSMPP (Closed**  
**Plan)) Amendments**

**61** Schedule 6 is amended by this Part.

**62** Section 1 is amended

(a) by repealing clause (a);

(b) in clause (d)

(i) by striking out “8” and substituting “8(2)”;

(ii) by adding “the applicable provisions of Part 1,” after “contained in”.

(c) in clause (f) by striking out “established under” and substituting “referred to in”.

**63** Section 2.1(a) is amended by striking out “or whether” and substituting “on whether”.

**64** Section 3 is repealed.

**65** Section 5 is amended by striking out “, in consultation with the Board,”.

**66** Section 10 is repealed.



**61** Amending formula for Schedule 6 (Public Service Management (Closed Membership) Pension Plan).

**62** Schedule 6, section 1 presently reads in part:

*1 In this Schedule,*

*(a) “Board” means the Management Employees Pension Board;*

*(d) “Plan” means the portion of the old plan continued by section 8 of this Act as the Public Service Management (Closed Membership) Pension Plan and contained in this Schedule and any regulations under section 12, and includes the plan fund;*

*(f) “plan fund” means the Public Service Management (Closed Membership) Pension Plan Fund established under section 6(1);*

**63** Schedule 6, correction of obvious error.

**64** Schedule 6, section 3 presently reads:

*3 Members of the Board, while acting as such, shall comply with, and are bound by, any provisions respecting conflicts of interest prescribed with respect to this Plan.*

**65** Schedule 6, section 5 presently reads:

*5 The Minister, in consultation with the Board, shall have an actuarial valuation of the Plan performed, and a report on that valuation prepared, by the Plan’s actuary at least once every 3 years.*

**66** Schedule 6, section 10 presently reads:

**Part 8**  
**Reference and Consequential**  
**Amendments, Repeals, Savings**  
**and Coming into Force**

**Reference amendments**

**67(1) The following provisions are amended by striking out “President of Treasury Board and Minister of Finance” and substituting “trustee”:**

- (a) Schedule 1, sections 6(1) and (3), 7(1) and 8(1) and (3);
- (b) Schedule 2, section 6(1);
- (c) Schedule 4, sections 6(1) and (3), 7(1) and 8(1) and (3);
- (d) Schedule 5, sections 6(1) and (3), 7(1) and 8(1) and (3);
- (e) Schedule 6, sections 6(1) and (3), 7(1) and 8(1) and (3).

**(2) The following provisions are amended by striking out “Minister” and “Minister’s” wherever they occur and substituting “administrator” and “administrator’s” respectively:**

- (a) in Part 1, sections 5(1) and 9.2(2), (3)(c) and (4)(b);
- (b) Schedule 1, section 10;
- (c) Schedule 2, section 10;
- (d) Schedule 4, sections 9(3) and 10;
- (e) Schedule 5, sections 3(2)(a.1) and (b.1), 9(3) and 10;
- (f) Schedule 6, section 10.

**Consequential amendments**

**68(1) The following clauses of section 29 of the *Interpretation Act* are repealed as at the respective times specified:**

- (a) clause (a) immediately following the commencement of section 69(2)(a);
- (b) clause (d) immediately following the commencement of section 69(2)(b);

*10 Without limiting the Minister's prescribed responsibilities for the administration of the Plan, the Minister may in writing delegate to the Board the power to review any decisions made by the Minister that are specified in the delegation for the purposes of the Plan.*

**67** Amendment of references from Finance Minister's title to "trustee" and from "Minister" to "administrator".

**68** Consequential amendments.

- (c) clause (e) immediately following the commencement of section 69(2)(c);
- (d) clause (g) with effect from the end of 2000.

**(2) The *Employment Pension Plans Act (RSA 2000 cE-8)* is amended**

**(a) in section 3**

- (i) **in subsection (2) by striking out** “or is fulfilling the functions of, trustee of those pension plans (or, in the case of the Public Service Pension Plan, the Public Service Pension Board if it becomes the trustee of that Plan)” **and substituting** “as the representative of the Crown, the trustee of those pension plans,”;

**(ii) in subsection (3)**

- (A) in clause (a) by adding** “on behalf of the Crown” **after** “(2)”;
- (B) in clause (b) by striking out** “(or, in the case of the Public Service Pension Plan, the Public Service Pension Board if it becomes the trustee of that Plan” **and substituting** “, on behalf of the Crown,”;

**(b) by repealing section 94(2).**

**(3) Section 10(3)(c) of the *Financial Administration Act* is repealed and the following is substituted:**

- (c) the new Universities Academic Pension Plan referred to in section 16 of the *Public Sector Pension Plans Act*;

**69(1)** In this section and section 70, “the Act” means the *Public Sector Pension Plans Act* as amended, where applicable, by this Act.

**(2) The following provisions of the Act are repealed:**

- (a) section 1(a) and Schedule 1;**
- (b) section 1(b) and Schedule 2;**

**69** Final repeals following joint sponsorship transitions.

(c) section 1(d) and Schedule 4.

**(3) The repeals effected by subsection (2) do not affect any remaining transactions that are required in order to effectuate fully the transition referred to in section 17(1)(g) of the Act.**

**70(1) The following provisions come into force, as to situations that are ending, at the end of December 2015, and as to situations that are beginning, on January 1, 2016:**

- (a) section 6(a) and (c);
- (b) section 8, insofar as it inserts section 8(3) and (4) into the Act;
- (c) section 9;
- (d) section 10, insofar as it inserts section 13 into the Act;
- (e) section 10, insofar as it inserts section 19, except section 19(4), into the Act;
- (f) section 10, insofar as it inserts section 20 into the Act;
- (g) section 14(b)(i), insofar as it inserts section 3(2)(a)(ii) into Schedule 1 to the Act;
- (h) section 15(a)(iii);
- (i) section 15(e), insofar as it inserts section 4(7.2) into Schedule 1 to the Act;
- (j) section 25(b), insofar as it inserts section 3(2)(a)(ii) into Schedule 2 to the Act;
- (k) section 26(a)(iii);
- (l) section 26(e), insofar as it inserts section 4(7.2) into Schedule 2 to the Act;
- (m) section 50(a)(ii);
- (n) section 53;
- (o) section 54(c) and (e);

**70** Coming into force.

- (p) section 55(a) and (b)(i);
- (q) section 57;
- (r) section 58(2);
- (s) section 59;
- (t) section 62(a);
- (u) section 64;
- (v) section 65;
- (w) section 66.

**(2) The following provisions come into force, as to situations that are ending, at the end of December 2014, and as to situations that are beginning, on January 1, 2015:**

- (a) section 37(a)(ii), (v) and (vi);
- (b) section 39(b)(iii) and (iv);
- (c) section 40(a)(iv), (e) and (f);
- (d) section 42;
- (e) section 43;
- (f) section 44;
- (g) section 45(a);
- (h) section 47(b), (c) and (d).

**(3) Section 10, insofar as it inserts section 18(4) and (5) and 19(4) into the Act comes into force on August 1, 2015.**

**(4) The following provisions come into force on Proclamation:**

- (a) section 10, insofar as it inserts section 15(1) and (4) into the Act;
- (b) section 15(a)(ii), insofar as it inserts section 4(1)(a.1) into Schedule 1 to the Act;





- (c) section 26(a)(ii), insofar as it inserts section 4(1)(a.1) into Schedule 2 to the Act;
- (d) section 40(a)(ii), insofar as it inserts section 4(1)(a.1) into Schedule 4 to the Act;
- (e) section 54(a)(ii), insofar as it inserts section 4(1)(a.1) into Schedule 5 to the Act;
- (f) section 69(2) and (3).

**(5) Sections 3(b) and 35 are deemed to have come into force at the end of 2000.**

**(6) Section 30 is deemed to have come into force on December 31, 1998.**

**(7) Section 31 is deemed to have come into force on January 1, 1999.**

**(8) Section 58(1)(b) is deemed to have come into force on January 1, 2002.**

**(9) Section 68(1)(a), (b) and (c) come into force if and when the relevant transition within the meaning of section 17(1)(g) of the Act becomes effective, subject to any savings provisions provided for by section 18(8) of the Act.**

**(10) Each of sections 1, 2, 11, 22, 36, 49 and 61, as it relates to each provision to which it respectively applies, comes into force at the time when that provision itself comes into force.**



