

Bill No. 37 of 1939.

A BILL TO ESTABLISH A TEACHERS' RETIREMENT
FUND

NOTE.

This Bill provides for the establishment of a Retirement Fund for the payment of superannuation to teachers employed in teaching in school districts or school divisions which receive grants from the Province and to teachers acting as full time employees of The Alberta Teachers' Association.

The Fund is to be kept by the Department of Education and is to consist of contributions made by all teachers from their salaries.

The contribution is deducted by the Board employing the teacher; and the amount of such deductions are retained out of the grants payable to the Board under *The School Grants Act* by the Department of Education; during the first five years of any teacher's participation under the provisions of the Act, one-sixth of the contributions of such teacher are to be placed in a reserve fund for the benefit of retiring teachers whose contributions have not built up an adequate retirement benefit; the remainder of the contributions go to the Retirement Fund.

All school boards are required to make detailed semi-annual returns to the Department of Education of all salary deductions made in the term for which the return is made.

The management and administration of the Fund is conferred upon a Board of Administrators which is constituted as a body corporate; it is to consist of four members appointed by the Lieutenant Governor in Council and two of the members are to be nominated by the Alberta Teachers' Association. The powers of the Board are set out in section 8.

Section 9 provides that every person entitled to receive any amount by way of pension from the Fund shall be entitled to receive an equal amount out of moneys appropriated by the Legislature for that purpose; such additional amount is advanced by the Board of Administrators when making the payment out of the Fund to the person entitled to the pension and the amount so advanced is payable to the Board by the Provincial Treasurer monthly.

ii.

The members of the Board of Administrators are to serve without remuneration, but are entitled to travelling expenses.

The expenses of administration of the Act are chargeable to the Fund; but office accommodations for administrative purposes are to be provided by the Department of Education.

Neither pensions payable under this Act nor the right to receive the same are capable to assignment or liable to be taken in execution, nor are the same subject to any law relating to bankruptcy or insolvency.

R. ANDREW SMITH,
Legislative Counsel.

(This note does not form any part of the Bill and is offered merely as a partial explanation of some of its provisions.)

BILL

No. 37 of 1939.

An Act to Establish a Teachers' Retirement Fund.

(Assented to _____, 1939.)

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

TITLE.

1. This Act may be cited as "*The Teachers' Retirement Fund Act.*"

- 2.** In this Act, unless the context otherwise requires,—
- (a) "Board of Administrators" or "the Board" means the Board of Administrators appointed and constituted under the provisions of this Act;
 - (b) "Fund" means the Teachers' Retirement Fund established under the provisions of this Act;
 - (c) "Teacher" means any person holding a valid certificate of qualification issued under the regulations of the Minister of Education of the Province of Alberta who is employed by the board of trustees of a school district or a school division formed and constituted under *The School Act* in the capacity of a teacher in a school, superintendent, supervisor, principal or other such official, or employed by the Alberta Teachers' Association.

APPLICATION OF THE ACT.

3. This Act shall apply to all teachers actually employed in teaching in those school districts or school divisions receiving grants from the Province of Alberta and to any teacher acting as a full-time employee of the Alberta Teachers' Association.

THE FUND.

4.—(1) The Department of Education is hereby authorized and empowered to establish a teachers' retirement fund to be derived from,—

- (a) gifts and legacies;
- (b) amounts contributed by teachers as hereinafter provided;
- (c) interest or other income derived from the fund.

(2) A separate account of the payments into the Fund made in respect to each teacher shall be kept by the Board of Administrators of the Fund.

5.—(1) From and after the first day of September of the year 1939 every teacher shall contribute to the Fund an amount equal to three per centum of his salary as a teacher earned by him at any time on, from and after the above mentioned date in the manner herein provided,—

(a) The board of trustees of each and every school district or school division in the Province of Alberta is hereby empowered to retain and shall retain from the salary of each and every teacher the percentage which such teacher is required to contribute to the Fund in accordance with this section, which percentage shall be deducted from each payment on account of salary made to such teacher, and all moneys so retained shall be deemed to have been paid on account of such salary and shall be deemed to be a contribution to the Fund by the teacher from whom the percentage of salary has been retained.

(b) The Department of Education is hereby empowered to retain and shall retain, semi-annually at the end of each school term, from the grant payable to each and every school district or school division under *The School Grants Act* in aid of schools organized and conducted under the provisions of *The School Act, 1931*, an amount equal to the amount so required to be retained by the board of trustees from the salaries of all teachers of each school district or school division during each term, and to receive and pay over to the Board for the purposes of the Fund the moneys so retained or received, and all moneys so retained and paid over shall be deemed to have been paid over to and received by the board of trustees on account of the Legislative grant to the school district or school division for that term.

(2) During the first five years of any teacher's participation under the provisions of this Act, one-sixth of his contributions shall not be placed to the credit of such teacher in his account in the Fund but shall be placed in a separate reserve fund to be disbursed as the Board of Administrators by by-laws may decide, for the purpose of creating benefits for retiring teachers whose contributions under this Act have not built up an adequate retirement benefit.

6. For the purpose of assisting the Department in determining the amount which should be retained and paid over, the board of trustees of each school district or school division shall, semi-annually, with the returns for the school term which the board of trustees is by law required to furnish to the Department, furnish the Department with a complete and accurate record, certified to be such by the secretary-treasurer or other proper officer of the school district or school division, showing the name of each teacher

employed by the board of trustees in that term, the amount of salary earned by each teacher together with such further information respecting any such salary as shall be required by the Department.

BOARD OF ADMINISTRATORS.

7.—(1) There shall be a Board of Administrators consisting of four members, of whom three shall form a quorum for the transaction of business, who shall manage, control and administer the said Fund and shall be a body politic and corporate with all the powers and immunities provided by law for such bodies.

(2) Two of the members of the Board shall be appointed by the Lieutenant Governor in Council in such manner and for such term or terms and at such times as he may determine.

(3) The two other members of the Board shall be teachers and shall be appointed by the Lieutenant Governor in Council, one of whom shall serve until the thirtieth day of June, 1941, and the other of whom shall serve until the thirtieth day of June, 1943, and their successors from time to time appointed shall serve for a term of four years each from the dates at which their respective appointments take effect. The two members so appointed under this subsection shall be nominated by the Executive Council of the Alberta Teachers' Association at least one month before the date on which they shall enter upon their duties as members of the Board of Administrators.

(4) If any member of the Board shall vacate his office or should the office for any reason become vacant, the Lieutenant Governor in Council shall appoint a successor to serve for the unexpired term.

POWERS OF THE BOARD.

8.—(1) The Board of Administrators is hereby empowered to act as and shall be the trustee of, and to manage, control, invest and administer the said Fund and its distribution; to receive moneys therefor whether by way of contribution, gift, grant, legacy or otherwise; to appoint, employ, remove and discharge such officers or employees as it may deem necessary for the exercise of its powers; to determine who shall be entitled to participate in the said Fund and the amount each participant shall receive, the manner and times of such receiving; to refund and pay to, or to the estate of, any teacher who has contributed to the said Fund such sum or sums as it may determine or to decline to so refund any moneys contributed by such teacher and to regulate the payment out of all moneys belonging to the said Fund; to enter into any engagement or agreement from time to time to bring about or to facilitate the transferring of any benefit to which any teacher is or may be entitled to in the said Fund to any other similar Fund and the transferring to the said Fund of the benefits to which any person may be similarly entitled in any other

similar Fund; and to do all acts and make all such provisions and regulations as shall appear proper and necessary touching the well-ordering of all the affairs and business of the said Fund and for such purpose or any of them from time to time to pass by-laws and to amend, repeal, add to or re-enact all or any of such by-laws, and such by-laws, as long as they shall be in force shall have the same force and effect as if part of the Act and be binding upon all persons to whom they shall apply;

Provided always that all moneys to be invested by the Board hereunder shall be invested in such bonds, debentures or other securities as trustees are authorized by law to invest money in.

(2) All such regulations so made, and all by-laws so enacted or passed, shall, however, before having any force or effect, be approved by the Lieutenant Governor in Council and be published once in *The Alberta Gazette*.

(3) On or before the first day of October of each year the Board shall furnish to the Department of Education an audited statement showing the standing of the Fund as at the thirtieth day of June preceding and containing such other information as the Lieutenant Governor in Council may from time to time require.

(4) Without limiting the powers of the Board as otherwise provided in this Act, the Board is hereby authorized to include in its by-laws provisions to the effect that a differentiation may be made in the amounts of the pensions, which shall be granted to teachers after the passing of this Act, according as their service is of a contributory or a non-contributory nature.

9. Every person who, under the regulations or by-laws of the Board is entitled to receive after the passing of this Act an amount as pension from the Fund, shall also be entitled to receive an equal sum out of moneys appropriated by the Legislature for that purpose, and when paying the amount to which such person is so entitled under the said regulations or by-laws, the Board shall also advance and pay such equal sum, and the Provincial Treasurer shall at the end of each month pay over to the Board out of moneys so appropriated, all sums which during such month shall have been so advanced and paid by the Board.

10. The members of the Board of Administrators shall serve without remuneration, but shall be entitled to receive, and shall be paid all necessary and actual expenses including travelling expenses incurred in and about the performance of their duties as such members.

11. All costs and expenses incurred in carrying out the objects of this Act shall be borne and paid out of the Fund, provided however that the Department of Education shall provide office space for the performance of all clerical duties necessary to carrying out the objects of the Act as

well as for the storing of all documents, files, cards, etc., necessary for the carrying out of the objects of this Act.

12. Neither the right of any teacher to receive a payment out of the said Fund nor any moneys payable to the teacher under this Act or as advances by way of gratuity, whether made in periodic payments or otherwise, shall be capable of being assigned, charged or anticipated or given as security nor shall the same be liable to be seized, attached or levied upon by or under the process of any court and such rights and money shall be exempt from the operation of any law relating to bankruptcy or insolvency and the Board may in its discretion refuse to recognize any power of attorney granted by a teacher with reference to any such payment.

13. This Act shall come into force on the day upon which it is assented to.

EIGHTH SESSION
EIGHTH LEGISLATURE
3 GEORGE VI
1939

BILL

An Act to Establish a Teachers'
Retirement Fund.

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. ABERHART.

EDMONTON:
A. Shnitka, King's Printer
1939