1980

c 490 Superannuation Adjustment Benefits Act

Ontario
CHAPTER 490
Superannuation Adjustment Benefits Act

1.—(1) In this Act,

(a) “Adjustment Fund” means the Superannuation Adjustment Fund;

(b) “employer” in relation to a pension plan means the employer within the meaning of such pension plan;

(c) “Minister” means the Chairman of the Management Board of Cabinet or such other member of the Executive Council as is designated by the Lieutenant Governor in Council to administer this Act;

(d) “pension” means a pension, superannuation allowance or annuity payable pursuant to a pension plan to which this Act applies;

(e) “recipient” means a person who,

(i) is in receipt of a pension, or

(ii) in the case of a deferred annuity, is entitled to an annuity,

under a pension plan to which this Act applies;

(f) “regulations” means regulations made under this Act. 1975, c. 82, s. 1 (1); O. Reg. 131/76.

(2) For the purposes of this Act, the amount of pension payable to a recipient is the amount of pension payable to him or to which he is entitled pursuant to the pension plan in respect of which he is a recipient. 1975, c. 82, s. 1 (2).

2. This Act applies only to pension plans designated by the regulations. 1975, c. 82, s. 2.

3. Subject to the other provisions of this Act, a superannuation adjustment benefit is payable,

(a) to every recipient who became entitled to a pension under a pension plan before the 1st day of
January of the year in which this Act is made applicable to the pension plan, commencing with the month next following the month in which this Act is made applicable to the pension plan; or

(b) to every recipient who became entitled to a pension under a pension plan on or after the 1st day of January of the year in which this Act is made applicable to the pension plan, commencing with the first month in the year next following the year in which the recipient became entitled to a pension under the pension plan. 1975, c. 82, s. 3.

4.—(1) An adjustment ratio shall be determined in each year by calculating to 3 decimal points the ratio that the average of the Consumer Price Index for Canada as published by Statistics Canada under the authority of the Statistics Act (Canada) over a twelve month period ending with the 30th day of September bears to the corresponding average in relation to the immediately preceding twelve month period and by adjusting such ratio in accordance with the regulations as follows:

1. Where the ratio calculated for each year after the year in which a person becomes a recipient is in excess of 1.080, it shall first be reduced with respect to previous ratios calculated which were less than 1.000 and the remaining excess, if any, shall be applied to increase the ratio calculated in any subsequent year if the ratio calculated in the subsequent year is less than 1.080.

2. Where the ratio calculated for each year after the year in which a person becomes a recipient is less than 1.000, it shall first be increased with respect to previous ratios calculated which were greater than 1.080 and the remaining amount, if any, by which it is still less than 1.000 shall be applied to decrease the ratio in any subsequent year if the ratio calculated in the subsequent year is more than 1.000.

3. Where the ratio calculated is for the year in which a person becomes a recipient, the adjustment ratio for that year with respect to that recipient shall be obtained by first modifying the ratio calculated by decreasing it to a maximum of 1.080 or by increasing it to a minimum of 1.000, by deducting 1 from the modified ratio calculated and
multiplying the result by the ratio that the number
of full months during which he was entitled to a
pension in the year in which he became a recipient
bears to 12 months and by adding 1 to the result.

(2) Where the determination of an adjustment ratio
under subsection (1) results,

(a) in a ratio of more than 1.080, the adjustment
ratio shall be 1.080; or

(b) in a ratio of less than 1.000, the adjustment ratio
shall be 1.000.

(3) The adjustment ratio determined in any year shall
apply to the year immediately following the year in which
the determination is made. 1975, c. 82, s. 4, revised.

5.—(1) The superannuation adjustment benefit payable
to a recipient for any month in any year is an amount
equal to the amount obtained by multiplying,

(a) the amount of the pension payable to the recipient
for that month;

by

(b) the accumulation (by multiplication) of the ad-
djustment ratio applicable to the year in which that
month occurs and the adjustment ratios applicable
to the previous years in which superannuation ad-
djustment benefits were payable to the recipient;

and subtracting therefrom

(c) the amount of the pension payable to the recipient
for that month.

(2) For the purpose of subsection (1), the amount of
pension payable to a recipient for a month shall be
equal to one-twelfth of the amount of pension payable to
the recipient for a year. 1975, c. 82, s. 5.

6. Where payments under a deferred annuity will com-
mence on some date after the date this Act is made appli-
cable to the pension plan under which such annuity is
payable, the annuitant is entitled to an accumulation
of adjustment ratios under this Act commencing with the
month following the month in which this Act is made
applicable to such pension plan or the first month of
the year next following the year in which he ceases to be employed, whichever is the later, and such accumulation of adjustment ratios shall be applied to the amount of the annuity commencing with the first payment of the annuity in accordance with the pension plan under which the annuity is payable. 1975, c. 82, s. 6.

7. Superannuation adjustment benefits payable to a recipient shall be paid at the same times, in the same manner and subject to the same terms and conditions as his pension is payable. 1975, c. 82, s. 7.

8.—(1) Commencing with the month next following the month in which this Act is made applicable to a pension plan,

(a) every employee contributing under such plan shall contribute monthly to the Adjustment Fund, by reservation from salary or otherwise, an amount equal to 1 per cent of his salary and the amount so contributed shall be placed to his credit in the Adjustment Fund; and

(b) the employer shall contribute to the Adjustment Fund an amount equal to the amount contributed under clause (a).

(2) An employee contributing under a pension plan who, after the date this Act is made applicable to the pension plan, elects to count as pensionable service any period of elective service to which he is entitled under such pension plan shall contribute to the Adjustment Fund an amount calculated on the same basis as the amounts he is required to pay to establish such elective service as pensionable service under such pension plan.

(3) Where the contributions of a contributor to a pension plan to which this Act applies are paid during any period by the employer by reason of the contributor being qualified for a benefit under a long term income protection plan, the contributions required to be paid during that period under this Act by such contributor and his employer shall be paid by the employer or on his behalf.

(4) In this section, “elective service” means any service that a contributor under a pension plan may elect to count as pensionable service under such pension plan. 1975, c. 82, s. 8.

9. When a person who has contributed to the Adjustment Fund ceases to be employed and no pension is or will
become payable to or in respect of him, or when a recipient dies and no further pension benefits are payable to his beneficiary, contributions under this Act shall be paid out of the Adjustment Fund on the same basis and under the same terms and conditions as contributions may be paid out under the pension plan to which he was a contributor. 1975, c. 82, s. 9.

10.—(1) A fund, to be known as the Superannuation Adjustment Fund, consisting of moneys contributed under section 8 and interest credited thereto less moneys paid out of such Fund under this Act, shall be established.

(2) The Treasurer of Ontario is the custodian of the Adjustment Fund.

(3) An account to be known as the Superannuation Adjustment Fund Account shall be established in the accounts of Ontario and under such account separate accounts shall be maintained in relation to each pension plan to which this Act applies.

(4) The fiscal year of the Adjustment Fund shall be the same as the fiscal year of the Consolidated Revenue Fund.

(5) The Adjustment Fund shall be audited by the Provincial Auditor who shall make an annual report to the Treasurer of Ontario, and the Treasurer shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session. 1975, c. 82, s. 10.

11.—(1) All superannuation adjustment benefits and other moneys required to be paid under this Act to recipients who have contributed to the Adjustment Fund or to their dependants or to their estates or the estates of such dependants shall be paid out of the Adjustment Fund.

(2) All superannuation adjustment benefits and other moneys required to be paid under this Act to recipients who have not contributed to the Adjustment Fund or to their dependants or to their estates or the estates of such dependants shall be paid by the employer and not out of the Adjustment Fund.

(3) Interest shall be credited at the close of each fiscal year to the Adjustment Fund out of the Consolidated Revenue Fund at such rate and in such manner as the Lieutenant Governor in Council may from time to time determine. 1975, c. 82, s. 11.
12. The interest of any person in the Adjustment Fund or in any adjustment benefit or other sum payable out of the Adjustment Fund or in any adjustment benefit or other sum payable under this Act by an employer is not subject to garnishment, attachment, seizure or other process of law and is not assignable. 1975, c. 82, s. 12.

13. A review committee shall be established in accordance with the regulations composed of representatives of the employer and of the contributors in relation to each pension plan to which this Act applies to review from time to time,

(a) the rate of contribution to the Adjustment Fund by the employer and contributors; and

(b) the account maintained under the Adjustment Fund Account in relation to such pension plan,

and any recommendation in relation thereto shall be made to the Minister. 1975, c. 82, s. 13 (1).

14. The Lieutenant Governor in Council may make regulations,

(a) designating pension plans and groups of contributors and recipients thereunder to which this Act shall apply;

(b) prescribing the composition of review committees and their terms of reference;

(c) providing for the adjustment of ratios calculated under subsection 4 (1);

(d) prescribing forms and procedures to be used under this Act. 1975, c. 82, s. 14.

15. The cost of administration of this Act is payable out of moneys appropriated therefor by the Legislature. 1975, c. 82, s. 15, revised.