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Ontario
CHAPTER 39

An Act to amend the Teachers’ Pension Act
Assented to December 14, 1993

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

1. The definition of “Minister” in section 1 of the Teachers’ Pension Act is repealed.

2. Subsection 2 (4) of the Act, as enacted by the Statutes of Ontario, 1991, chapter 52, section 2, is amended by striking out “Minister” in the fourth line and substituting “Minister of Education and Training”.

3.-(1) Section 5 of the Act, as amended by the Statutes of Ontario, 1991, chapter 52, section 3, is further amended,

(a) by striking out “Treasurer” wherever it appears and substituting in each case “Minister of Finance”; and

(b) by striking out “Minister” wherever it appears and substituting in each case “Minister of Education and Training”.

(2) Subsections 5 (5) and (6) of the Act, as enacted by the Statutes of Ontario, 1991, chapter 52, section 3, are repealed.

4. The Act is amended by adding the following section:

5.1—(1) If a going concern valuation of the pension plan as at January 1, 1993 discloses a gain, the Crown’s portion of which is greater than the special payments made by the Minister of Finance under this Act during the period beginning on January 1, 1993 and ending on March 31, 1994, the Board shall repay to the Minister an amount equal to the special payments, with appropriate adjustments for interest.

(2) Section 78 of the Pension Benefits Act does not apply to a repayment under subsection (1).

5. Subsection 10 (1) of the Act, as reenacted by the Statutes of Ontario, 1991, chapter 52, section 6, is amended by striking

CHAPTER 39

Loi modifiant la Loi sur le régime de retraite des enseignants
Sanctionnée le 14 décembre 1993

SA MAJESTÉ, sur l’avis et avec le consentement de l’Assemblée législative de la province de l’Ontario, édicte :

1 La définition de «ministre» à l’article 1 de la Loi sur le régime de retraite des enseignants est abrogée.

2 Le paragraphe 2 (4) de la Loi, tel qu’il est adopté par l’article 2 du chapitre 52 des Lois de l’Ontario de 1991, est modifié par substitution, à «ministre» à la quatrième ligne, de «ministre de l’Éducation et de la Formation».

3 (1) L’article 5 de la Loi, tel qu’il est modifié par l’article 3 du chapitre 52 des Lois de l’Ontario de 1991, est modifié de nouveau par substitution :

a) à «trésorier de l’Ontario» partout où il figure, de «ministre des Finances»;

b) à «ministre» partout où il figure, de «ministre de l’Éducation et de la Formation».


4 La Loi est modifiée par adjonction de l’article suivant :

5.1 (1) Si une évaluation à long terme du régime de retraite établie le 1er janvier 1993 révèle un gain dont la part de la Couronne est supérieure aux paiements spéciaux versés par le ministre des Finances aux termes de la présente loi au cours de la période commençant le 1er janvier 1993 et se terminant le 31 mars 1994, le Conseil rembourse au ministre un montant égal aux paiements spéciaux, avec la revalorisation appropriée pour les intérêts.

(2) L’article 78 de la Loi sur les régimes de retraite ne s’applique pas à un remboursement visé au paragraphe (1).

5 Le paragraphe 10 (1) de la Loi, tel qu’il est adopté de nouveau par l’article 6 du chapitre 52 des Lois de l’Ontario de 1991, est modifié par substitution, à «ministre» à la
out "Minister" in the first line and substituting "Minister of Education and Training".

6. Subsection 11 (1) of the Act, as re-enacted by the Statutes of Ontario, 1991, chapter 52, section 7, is amended by striking out "Minister" in the first line and substituting "Minister of Education and Training".

7. Subsection 12.1 (1) of the Act, as enacted by the Statutes of Ontario, 1991, chapter 52, section 8, is amended by striking out "Minister" in the third line and substituting "Minister of Education and Training".

8.-(1) Subsection 1 (1) of Schedule 2 (Schedule 2 to the Teachers' Pension Act, 1989, being chapter 92) is amended by striking out "and subsection 4 (2)" in the first line.

(2) Subsection 1 (1) of Schedule 2 is amended by adding the following definition:

"wage experience factor" means,

\[
\frac{100 + A}{100 + B}
\]

where

"A" is the actual percentage change in salary scales from the 1988-89 school year to the school year of the valuation, as determined by the actuary, and

"B" is the percentage change that would have taken place from the 1988-89 school year to the school year of the valuation if salary scales had increased by 5.2 per cent in the 1989-90 school year and by 5.75 per cent annually thereafter.

(3) Subsection 1 (4) of Schedule 2 is amended by striking out "sections 2, 3 and 4" in the first line and substituting "sections 2 and 3".

(4) Section 2 of Schedule 2 is amended by striking out "Treasurer" wherever it occurs and substituting in each case "Minister of Finance".

(5) Subsections 3 (3), (4), (5), (6), (7) and (8) of Schedule 2 are repealed and the following substituted:

Liability liquidated

Any going concern unfunded actuarial liability disclosed by the initial valuation shall be liquidated by a series of monthly special payments from the Consolidated Revenue Fund to be made over the forty years commencing on January 1, 1990.

Amounts of special payments

The amounts of the special payments shall be determined in accordance with,

(a) the schedule of special payments that was required to be submitted with the initial valuation under subsection (6) as it read immediately before the coming into force of subsection 8 (5) of the Teachers' Pension Amendment Act, 1993; and

(b) the schedules prepared under subsection (5).
(5) In each going concern valuation of the pension plan made after the initial valuation and as at a date before January 1, 2030, the actuary shall prepare and submit with the valuation a schedule of monthly special payments showing the amount of each remaining special payment for the six years following the date as at which the valuation is made or for the period of time for which special payments remain to be made, whichever is shorter.

(6) The amounts of the special payments set out in a schedule prepared under subsection (5) shall comply with the following rules:

1. The amount of a special payment that was set out in a schedule previously prepared under this section shall not be changed.

2. The amount of a special payment that was not set out in a schedule previously prepared under this section shall be calculated in the manner set out in subsection (7).

(7) A special payment referred to in paragraph 2 of subsection (6) shall be calculated as follows:

1. Let \( y \) be the number of months that have elapsed since the beginning of December, 1995.

2. If \( y \) is equal to or less than 61, multiply the December 1, 1995 payment of $34,282,932 by \( 1.006246879721802^y \).

3. If \( y \) is greater than 61, multiply the December 1, 1995 payment of $34,282,932 by 

   \[
   1.006246879721802^{61} \times 1.004669839200036^{(y-61)}.
   \]

4. Multiply the product obtained under paragraph 2 or 3, as the case may be, by the applicable wage experience factor.

(8) A going concern valuation of the pension plan made after the initial valuation and as at a date before January 1, 2030 shall include as an asset of the pension plan the present value of,

(a) the special payments set out in the schedule prepared under subsection (5); and

(b) the other remaining special payments, the amount of each of which shall be estimated as described in subsection (7), using actuarial assumptions that are consistent with the going concern valuation.

(9) A determination of a solvency gain or solvency deficiency of the pension plan shall include as a solvency asset the present value of,

(a) the special payments set out in the schedule prepared under subsection (5); and

(b) the other remaining special payments, the amount of each of which shall be estimated as described in subsection (7), using actuarial assumptions that are consistent with the solvency valuation.

(10) The present values referred to in subsections (8) and (9) shall be determined using the interest rate used to calculate the going concern liabilities or solvency liabilities, as the case may be.

(11) Subject to subsections (12) and (13), the Minister of Finance shall pay from the Consolidated Revenue Fund to the pension fund the special payments set out in the most recent schedule prepared under this section.

(12) The Minister of Finance may set off against the amount of the special payments any portion of the Crown's share of an actuarial gain that is disclosed by a going concern valuation of
the pension plan and is allocated to the Crown under the pension plan.

(13) The Minister of Finance may at any time prepay a part or all of any outstanding special payments or may make additional payments to the pension fund to be applied as the Minister of Finance shall direct to reduce the remaining special payments, with appropriate adjustments for interest, and every such payment may be paid out of the Consolidated Revenue Fund.

(14) No special payments are payable under this section in respect of any period after December 31, 2029.

(6) Section 4 of Schedule 2 is repealed.

9. This Act shall be deemed to have come into force on December 31, 1992.

10. The short title of this Act is the Teachers' Pension Amendment Act, 1993.