

A few clarifications on enrolment rules for the Régime de retraite des groupes communautaires et de femmes

(2021-01 version)

The *Supplemental Pension Plans Act* recognizes the right of workers who meet certain criteria to participate in a pension plan that includes other employees working for the same employer. The Act also enables Retraite Québec to order a worker to be enrolled in a pension plan if he or she meets the requirements of the Act. Our Pension Plan regulations were drafted to take these legal requirements into account.

The Pension Plan distinguishes between a **permanent** employee and a **non-permanent** employee. Every employer must therefore define what constitutes a “permanent” and “non-permanent” employee. Although the application of these definitions may create different practices in participating groups, the important thing is that every employer applies these definitions in a consistent, equitable and non-discriminatory fashion within the group. If necessary, the Pension Committee has the power to determine whether an employee should be considered a permanent employee *for the sole purpose of the Pension Plan*. Lastly, please note that **probationary periods** which you may have as a hiring policy must not delay enrolment in the Plan as this is not permitted by Law. This being said, here are the enrolment rules for this Pension Plan.

Permanent employee *

A permanent employee is an employee who holds a position defined as permanent within that participating group, regardless of the number of hours worked in any given period.

RULE #1	<u>3 months after hiring</u> Enrolment 3 months after hiring is compulsory for all permanent employees. The employer <u>MAY</u> ask for an earlier enrolment date for all permanent employees. This criterion will apply as soon as it has been approved by the Pension Committee and integrated into Appendix 4 of the Pension Plan. Otherwise, the 3-month rule applies.
RULE #2	An employee who is already a plan member <u>MUST</u> enrol on the first day of his or her hiring.

* Once a participant has fulfilled the necessary criteria and acquired a regular or non-permanent status, he or she must continue to contribute to the Pension Plan regardless of any following changes in their status or number of hours worked.

Non-permanent employee *

A non-permanent employee is an employee who holds a position defined within the participating group as exceptional, occasional, temporary, contract, on-call, or replacement.

<p>RULE #1</p>	<p><u>700 hours</u> When an employee, in a given calendar year, completes at least 700 hours of service with one or several employers participating in the Pension Plan, he or she <u>MAY</u> join the Pension Plan on January 1st of the following year. In this case, the employer <u>MUST</u> register this employee in the Plan. If the employee has not completed 700 hours, the counter is reset at 0 for the following year.</p>	<p><u>OR</u> <u>35 % YMPE</u> ** When an employee receives more than 35% of the Yearly Maximum Pensionable Earnings (\$21,560 in 2021) from one or several employers participating in the Plan in a calendar year (January to December), he or she <u>MAY</u> join the Pension Plan on January 1st of the following year. If his or her earnings are below 35% of the YMPE, the counter is reset at 0 for the following year.</p>
<p>RULE #2</p>	<p><u>5 years of continuous service</u> An employee <u>MUST</u> enrol after 5 years of continuous service for an employer participating in the Plan.</p> <p>An employee working before February 28, 2011 for an employer participating in the Pension Plan on that date <u>MAY</u> enrol after 2 years of continuous service for that employer.</p>	<p><u>EXAMPLE: how to calculate 5 years of continuous service</u> Initial hiring date May 1st, 2008 to May 31st, 2010 / 24 months</p> <hr/> <p>Interruption of work (18 months)</p> <hr/> <p>2nd period of work: from November 1st, 2011 to August 31st, 2012 / (10 months)</p> <hr/> <p>Interruption of work (8 months)</p> <hr/> <p>3rd period of work as of May 1st, 2013: The employee has reached 5 years of continuous service.</p>
<p>RULE #3</p>	<p>An employee who is already a plan member <u>MUST</u> enrol on the first day of his or her hiring.</p>	
<p>RULE #4</p>	<p>The employer <u>MAY</u> ask for an earlier enrolment date than 5 years of continuous service for all non-permanent employees. This criterion will apply as soon as it has been approved by the Pension Committee and integrated into Appendix 4 of the pension plan. Otherwise, the 5 year rule applies.</p>	

* Once a participant has fulfilled the necessary criteria and acquired a regular or non-permanent status, he or she **must continue** to contribute to the Pension Plan regardless of any following changes in their status or number of hours worked.

** The Yearly Maximum Pensionable Earning (YMPE) is the maximum annual wage on which a member contributes to QPP/CPP. This maximum amount is set annually (\$61,600 in 2021).