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BUYBACK OF CYCLICAL LAYOFF PERIODS TRANSITORY MEASURES TO END SOON

The possibility for one to buy back short periods of service from the RREGOP as regards cyclical layoffs will be ending shortly. An agreement has been reached between the union organizations and the Government of Quebec to close the loophole that was partially breached by the decision rendered by the arbitrator René Beaupré, in the Carignan dossier. This decision, although it might appear to be generating a new right, would have however penalized numerous public sector workers, if it were to be applied extensively.

A quick look back at the Carignan dossier

Ms. Carignan, an employee in the Province's education system, who was contributing to the RREGOP had asked the CARRA to be able to buy back some short cyclical layoff periods (Christmas Breaks and school breaks). Faced with CARRA's (today Retraite Québec) refusal, Ms. Carignan submitted her case to arbitration. The arbitrator Beaupré, observing that no definition of an "unpaid absence" existed in the RREGOP legislation, upheld the plaintiff's right. The higher Courts later confirmed his decision.

Retraite Québec, the entity responsible for administering the RREGOP, then warned the union organizations and the Government of the impact of this decision: namely, the decision would henceforth compel the end of the practice of annualizing a person's salary, a measure that expressly provides a way to not penalize employees who are regularly laid off temporarily for short periods of time. Putting an end to such a measure would have had a considerable impact: the pension benefits of thousands of RREGOP participants would have thus been reduced significantly.

This is why the negotiating parties reached an agreement to integrate a definition of an «unpaid absence» into the

RREGOP legislation, and thereby exclude cyclical layoff periods such as those that occur over Christmas Break and during school break. By excluding the foregoing, employees will thus be able to continue having their salary annualized, notwithstanding these layoff periods. Accordingly, they will not be penalized when they retire.

Transitory measures to end soon

The negotiating parties nonetheless agreed to have certain transitory measures apply. For those employees who so desire, it will still be possible for a few more days to buy back cyclical layoff periods. The date upon which these transitory measures will end is not yet known, but should occur sometime before the end of February, when Bill 163 (that covers different Quebec Government pension plans) will be examined by the National Assembly.

Accordingly, anyone who wishes to buy back any cyclical layoff periods must do so promptly vis-à-vis Retraite Québec. After bill 163 is examined, it will no longer be possible to do so.

Finally, let's also make it clear that no other terms and conditions regarding buying back periods of service from the RREGOP (unpaid leaves, parental leaves, etc.) has been modified by the negotiating parties. It should likewise be noted that the participants who do not wish to take advantage of the transitory measures shall not be penalized in terms of their pension being calculated based upon their average salary, since the annualization of people's salaries shall be applied.

For more information: <https://www.carra.gouv.qc.ca/pdf/4050f-Rachats-service.pdf>