



A Modernized Public Service Superannuation Plan

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On April 12, 2012, the government introduced legislation that represents the next step in the process to modernize the Public Service Superannuation Plan (PSSP).

Through this legislation, the governance of the plan will be strengthened by implementing a joint governance framework. This next step is the result of two years of thoughtful stakeholder consultations and research, and it incorporates best practices from leading pension plans across Canada.

A joint governance framework will be implemented for the PSSP. After an approximate one-year transition period, a newly created body known as the Public Service Superannuation Plan Trustee Inc. (PSSPTI) will assume fiduciary responsibility for the PSSP from the Minister of Finance.

The board of directors of the PSSPTI will be composed of directors representing employers, employees, and retirees. The board will be made up of:

- 3 directors as designated by the Nova Scotia Government & General Employees Union;
- 1 director as designated by the Canadian Union of Public Employees Local 1867;
- 1 director representing non-unionized employees;
- 1 director representing retirees; and
- 6 directors as designated by the government.

An independent chair will be appointed by the board of directors, and an appeal committee will be established to manage appeals raised by plan members.

The Interim Trustee Board includes Rod Burgar (Interim Chair), Christopher Daly, Jane Fraser, Paul Hagen, Ian Johnson, Michael MacIsaac, Nancy MacLellan, Leo McKenna, Dave Peters, Byron Rafuse, Cathy Rankin, Keiren Tompkins, and Cynthia Yazbek.

The legislation includes a detailed funding policy that builds on the principles of the changes made in 2010. The funding policy prescribes the actions available to the trustee depending upon the funded health of the plan. On a five-year review cycle, beginning in 2015, the trustee will evaluate the funded health of the plan.

This process will also involve the devolution the Nova Scotia Pension Agency (NSPA) from the government by creating a non-profit statutory corporation that is equally owned by the trustees of the Teachers' Pension Plan (TPP) and the PSSP.

This change means governance by plan trustees for the benefit of plan members. There will be no change in the degree of controls or accountability.

This transition is planned to occur over an approximate one-year period that aligns with the creation of the PSSPTI. The new non-profit corporation will provide pension and investment administration services for all plans currently served by the NSPA.

The devolution of the NSPA is a collaborative undertaking led by the government, the Teachers' Pension Plan Trustee Inc., the Nova Scotia Teachers' Union, and the Nova Scotia Government & General Employees Union.