

## I. Overview

### Section 2 – Background

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#### 2.1 History of the Liquor Board Superannuation Plan

The origins of the Liquor Board Superannuation Plan (the Plan) date back to the formation of the Public Service Superannuation Plan in 1927. On January 1, 1945, the Liquor Board Superannuation Plan was established in its own right with the enactment of *The Liquor Board Superannuation Act* (the Act), taking with it Liquor Board employees who had been members of the Public Service Superannuation Plan. When the Public Employees (Government Contributory) Superannuation Plan was established to provide superannuation benefits for provincial public employees of designated participating employers on October 1, 1977, the Liquor Board Superannuation Plan was closed to new members. All employees of the Liquor Board (as it then was) hired after October 1, 1977 were required to join the Public Employees (Government Contributory) Superannuation Plan.

Section 3 of *The Liquor Board Superannuation Act* provides for a Commission composed of three members appointed by the Lieutenant Governor in Council with one member appointed as Commission chair and at least one member to be an employee and representative of the employees of the Liquor Board.

#### 2.2 Responsibilities of the Minister

The Liquor Board Superannuation Plan is currently governed by *The Liquor Board Superannuation Act and Regulations* and by *The Superannuation (Supplementary Provisions) Act*. (Please refer to section 5 entitled **Operation of Commission** in the Governance Manual for the current composition of the Commission).

The Commission reports to the Minister responsible for *The Liquor Board Superannuation Act*. In order to fulfill his/her administrative responsibilities under the Act, the Minister:

- Recommends to Cabinet amendments to the Act, as required or deemed necessary;
- Oversees the passage of amendments to the Act;
- Oversees the passage of Regulations to the Act and amendments thereto; and

- Answers questions in the Legislative Assembly of Saskatchewan regarding the Liquor Board Superannuation Plan.

### **2.3 The Minister of Finance**

Section **42** of the Act confers obligations upon the Commission to ensure that the assets of the fund are invested in accordance with the requirements for the investment of pension funds pursuant to *The Pension Benefits Act, 1992* and the *Income Tax Act (Canada)* and in accordance with any directions given by the Minister of Finance.

The Minister of Finance has, under subsection **42(1.1)** of the Act, the authority to

“ . . . impose any terms and conditions that he considers appropriate on an approval pursuant to subsection (1).”

### **2.4 Fiduciary Responsibilities of Commission**

In order for the Commission to fulfill its primary fiduciary responsibility to all members and beneficiaries the Commission must:

- Act solely in the best interest of plan members and beneficiaries;
- Treat members and beneficiaries impartially;
- Act with the care, skill and diligence of a prudent person;
- Interpret the plan terms fairly, impartially and in good faith;
- Prevent personal interests from conflicting with those of the plan; and,
- Within the scope of its authority, ensure that members and beneficiaries receive the benefits promised.

In addition to its primary fiduciary responsibilities, the Commission also bears responsibilities to the following:

- The Minister;
- Labour unions representing members of the Plan;
- Organizations and individuals employed by the Commission to provide services to the Commission; and
- The Legislative Assembly of Saskatchewan.

In order to execute the Commission’s fiduciary responsibilities under the Act, the Commission shall administer the Act, as stated in Section **3(1)** of the Act.

The Commission may:

- Dispose of securities, in which the fund has been invested, in any manner and on any terms that it considers appropriate;
- Enter into agreements;
- Engage the services or retain any technical, professional or other advisor, specialist or consultant; or
- Do any other things that it considers necessary for the purposes of managing, investing or disposing of the assets of the fund.

Section **40** of the Act permits the establishment by the Liquor Board (with the permission of the Treasury Board) of a fund for the purposes of meeting any allowances payable or that may become payable under the Act.

Section **50** of the Act states that should any question arise as to the application of the Act to any employee, the question is to be determined by the Commission.

The costs incurred by the Commission for the administration of the Plan and other expenses related to managing, investing or disposing of the assets of the fund are payable out of the fund.

The Commission is responsible for the effective and timely operation and management of the Plan. To discharge this obligation, the Board has delegated specific functions to the Senior Executive Officer and to the Commission's Executive Secretary, as well as to the following service providers: Plan Administrator; Actuary; Legal Counsel; Auditor; Investment Managers and Custodian.

## **2.5 History**

Approval Date:	March 15, 2006
Last Review:	November 29, 2017
Next scheduled review	November 2018