

I. Mandate and Roles

Section 1 – Background

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1.01 History of the Public Employees Pension Plan

The Public Employees Pension Plan’s origins date to 1977, when the Public Employees (Government Contributory) Superannuation Plan was established to provide superannuation benefits for provincial public employees of designated participating employers. The Plan was officially created on October 1, 1977, under *The Superannuation (Supplementary Provisions) Act*.

This Act provided for a Board composed of:

- a Chairperson appointed by the Board;
- four members representing employees; and
- four members representing the employers of employees participating in the Plan.

1.02 Equal Representation

Throughout the Plan’s history, governance has been organized in a manner that the Board should be composed of an equal number of employee and employer representatives, with a chairperson.

1.03 Responsibilities of Minister of Finance

The Plan is continued by *The Public Employees Pension Plan Act* and *The Public Employees Pension Plan Regulations, 2015*, which were adopted in their original forms by the Legislative Assembly on July 1, 1997. (Please refer to section 7 - Operation of Board for the current composition of the Board).

In order to fulfill his/her administrative responsibilities under the Act, the Minister of Finance:

- 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 Plan.

1.04 Fiduciary Responsibilities of Board

In order for the Board to fulfill its primary fiduciary responsibility to all members and beneficiaries, the Board 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 Board also bears responsibilities to the following:

- the Minister of Finance;
- participating employers;
- labour unions representing members of the Plan;
- groups and organizations who have appointed members to the Board;
- organizations and individuals employed by the Board to provide services to the Board; and
- the Legislative Assembly of Saskatchewan.

In order to execute the Board's fiduciary responsibilities under the Plan, the Board shall administer the Act, as stated in Section 3(2) of the Act.

The Board is granted certain powers under Section 5 of the Act. Such powers include charging a fee for services provided by the Board, establishing policies for the investment of assets of the Fund, and for the calculation and allocation of revenues accruing to the Public Employees Pension Fund. The Board may invest all moneys in the Fund in any securities authorized under *The Pension Benefits Act, 1992*.

The Board may:

- determine the amounts in the Fund standing to the credit of members;
- 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 6 of the Act states that the decision of the Board shall be final should questions arise as to the application, interpretation or intent of the Act or Regulations.

Section 8 of the Act confers trust obligations upon the Board. The Board is the trustee of the Fund and shall 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)*. The Board must also ensure that its actions and those of its members are consistent with the provisions of *The Trustee Act, 2009*.

The costs incurred by the Board 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 Board 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 Associate Deputy Minister, as well as to the following service providers: PEBA as plan administrator, Legal Counsel, Auditor, Strategic Investment Consultant, Private Markets Consultant, Investment Managers, and Custodian.

1.05 Participating Employers

A current listing of participating employers whose employees are eligible for participation as members of PEPP can be found in *The Public Employees Pension Plan Regulations, 2015*.

1.06 History

Approval date:	January 26, 2005; November 26, 2008; November 28, 2012; and May 27, 2020
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