



East Memorial Building
284 Wellington Street
Room 2171
Ottawa, Ontario
K1A 0H8

Telephone: (613) 952-0275
Facsimile: (613) 952-8713

Our File: 351477

January 6, 2000

BY FAX

Ogilvy Renault
Barristers & Solicitors
1981 McGill College Ave.
Montréal, Québec
H3A 3C1

Attention: Mr. Yves Fortier, Q.C.

Dear Sir:

Re: Judicial Compensation and Benefits Commission

I refer to your letter dated December 20, 1999, and to my reply dated December 21, 1999.

I have put questions 2 and 3 of your letter to the appropriate officials and I am informed as follows.

"2. Disclosure of the insurance and insurance related benefits to which Order-in-Council Appointees are entitled but which are not presently available to judges."

The request assumes that all Governor-in-Council appointees ("GiC appointees") are entitled to the same benefits. Such is not the case.

In general, GiC appointees who are subject to the *Public Service Superannuation Act ("PSSA")* enjoy the same benefits and terms and conditions of employment as members of the Executive Group within the Public Service. Annex A hereto sets out the insurance and insurance-related benefits afforded to GiC appointees who are subject to the *PSSA* and to whom the Governor-in-Council or Treasury Board has approved extension of the Executive Group's benefits.

A number of GiC appointments are to organizations outside the normal government structure of departments, agencies and commissions. Most of these organizations, such as Crown corporations, have the authority to establish benefit plans as well as terms and conditions of employment for their employees. Customarily, GiC appointees such as presidents and chief executive officers of Crown corporations participate in their organization's plans.

There are GiC appointees who are not subject to the *PSSA* and to whom the benefits of the Executive Group have not been extended. Examples are appointees to the Canadian Race Relations Foundation and the Saskatchewan Treaty Commission. The benefits and other terms and conditions of employment for such appointees are established on an individual basis.

It should be noted in passing that the booklet entitled *Terms and Conditions of Employment for Full-Time Governor-in-Council Appointees*, reproduced in Appendix 6 of your clients' Submissions, was last published in June 1997. I am informed that some sections of the booklet, including the section on pensions, are out of date and are in the process of being revised.

"3. Details of the agreement between the government and Order-in-Council Appointees concerning the survivor benefits payable following death occurring in the performance of the appointee's duties."

I am informed that there is no agreement.

Governor-in-Council appointees are not included in the Public Service Income Benefit Plan for Survivors of Employees Slain on Duty. That plan provides an income guarantee to the spouse and children of employees whose death is caused by an act of violence unlawfully committed by another person or persons, occurring in the course of or arising out of the performance by the employees of their duties. The Plan extends only to employees whose terms and conditions of employment are established by the Treasury Board.

In the case of the death of GiC appointees in the course of their duties or otherwise, there may be other benefits payable:

- (a) accidental death benefits for GiC appointees covered by the Public Service Management Insurance Plan;
- (b) supplementary death and survivor benefits under the *PSSA* for GiC appointees subject to that Act;
- (c) where the *PSSA* does not apply, a death benefit equal to two month's salary payable to the surviving spouse (or such other person as determined by the Treasury Board);

- (d) benefits under the *Government Employees Compensation Act* or the regulations under s. 9 of the *Aeronautics Acts* for GiC appointees covered by that legislation; and
- (e) where the GiC appointee had at least one year of service, payment to the beneficiary or estate of the GiC appointee's full salary for the balance of the month of death.

If you require any further information, please do not hesitate to contact me.

Yours truly,

David Sgayias

Encl.

DS/jj

Governor in Council Appointees Subject to the *Public Service Superannuation Act - Summary of Benefits*

Life Insurance Coverage (Public Service Management Insurance Plan):

Basic Plan: Premiums are employer paid (taxable benefit)
Coverage is 2 times annual salary

Supplementary Plan (optional)
Premiums are employee paid
Coverage is 1 times annual salary

Post-Retirement Life (optional) (taxable benefit)
Premiums are employer paid
Coverage is 1 times final salary during first year of retirement; 75% during 2nd year; 50% during 3rd year and 25% thereafter.

Dependant(s) Life Insurance: (taxable benefit)
Premiums are employer paid
Coverage is \$5,000 for spouse and \$2,500 for each dependant

Accidental Death and Dismemberment - plan member (DM)
Premiums are employer paid
Coverage is \$250,000 for accidental death (amount or part thereof for loss of limbs, fingers, sight, etc.)

Accidental Death and Dismemberment - Dependants
Premiums are employer paid
Coverage is \$5,000 for spouse and \$2,500 for each dependant for accidental death (full amount or part thereof for loss of limbs, fingers, sight)

Long Term Disability:
Premiums are employer paid
Benefit is 70% of annual salary after a 13-week waiting period or all sick leave credits have been used, subject to certain limitations

Supplementary Death Benefit (PSSA, RCA)

Premiums are employee paid.

Coverage is 2 times annual salary until member attains 66 years of age - then coverage and premiums reduce by 10% per year, to a minimum coverage of \$10,000

Provincial Medicare

Premiums are employer-paid in the provinces who levy a monthly premium

Public Service Health Care Plan

_____ Contributions are employer paid.

Main features of the plan include:

- reimbursement of 80% of eligible expenses after an annual deductible (\$60 singles/\$100 family) for specified medical expenses not covered by provincial health care plans
- reimbursement towards the cost of a semi-private or private room at Level III, up to \$150 per day;
- reimbursement of 100% of costs for emergency medical treatment not covered by provincial health care plan for Deputy Ministers and their dependants when travelling outside of Canada for personal reasons for up to 40 days, up to a limit of \$100,000 per person.

Public Service Dental Care Plan

Contributions are employer paid.

_____ Main features of the plan include:

- coverage for eligible services, as follows, after a calendar year deductible (\$25 single/ \$50 family) to the limits shown in the provincial or territorial fee guide in effect in 1998;
 - reimbursement at 90% of eligible expenses for diagnostic, preventive and minor restorative treatments;
 - reimbursement at 50% of eligible expenses for major restorative, major prosthodontic and orthodontic treatments.
 - Except for orthodontic work, there is a maximum reimbursement limit of \$1,250 per calendar year per covered person for dental expenses.
 - The lifetime limit for orthodontic expenses is \$2,500 per covered person.
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Survivor Benefits (PSSA, RCA)

The survivor* of a contributor with at least two years of pensionable service would be entitled to an immediate allowance equivalent to 50% of the contributor's accumulated pension and is calculated as follows:

\square $1\% \times$ contributor's number of years of service (for which the employee has made contributions) \times average salary of contributor's best 5 consecutive years' service

Death Benefit (for GiCs not subject to PSSA)

_____ For those appointees who were not contributors under the PSSA, the Death Benefit is equal to two months' salary payable to the surviving spouse, or, if necessary, such person as the Treasury Board determines.