



**Plain Language Summary for Bill 32:**  
**An Act to Amend the Northern Employee Benefits Services Pension Plan Act**

The Northern Employee Benefits Services Pension Plan (NEBS) operates in both the Northwest Territories and Nunavut. It is a multi-employer, defined benefit pension plan for employees of participating employers working in the municipal, broader public sector and non-profit sectors of both jurisdictions. In 2015 each jurisdiction adopted 'mirror' legislation to formally establish the pension plan; the respective acts were both entitled the *Northern Employee Benefits Services Pension Plan Act* (the Act).

In the Fall of 2020 the NEBS Board of Directors approached the GNWT and the Government of Nunavut with a proposal to amend each government's respective *Act* by updating and modernizing a relatively small number of legislative provisions. The proposed amendments related to four (4) specific issues:

- The need to recognize and designate (name) the pension committee as the legal authority responsible for operation and management of the NEBS pension plan;
- Change references to the composition and size of the pension committee to allow for future expansion of the pension plan;
- Modify the powers and authority of the pension committee with respect to administration of the plan by providing for new regulations; and
- Provide the Minister responsible for the *Act* with new powers to approve temporary measures necessary to permit a timely response to a crisis or emergency that could potentially jeopardize the plan and the benefit security of the pension plan's members.

The Department of Finance supports this effort to amend the *Act*. Finance considers the proposed amendments necessary to fulfill the original intent of the *Act*, which exists to provide a legislative framework to support a multi-employer, multi-jurisdictional defined benefit pension plan for employees of approved public sector employers in northern Canada. The proposed amendments will address administrative and regulatory issues that have risen since the Act was proclaimed, and ensure that the legislative framework will support continued growth and management of the NEBS pension plan.

Continued effective and efficient operation of the NEBS pension plan will ensure that employees of participating northern municipal, local housing association and non-government employers may acquire the financial stability necessary to enjoy an adequately funded retirement based upon length of service and the individual member's best five-year average earnings, similar to other public sector pension plans.

The proposed amendments to the Act were developed through an extensive collaborative process that involved both the NEBS Board of Directors and the Government of Nunavut.

The NEBS Board of Directors has confirmed that it has conducted consultations with their membership in both Nunavut and the NWT regarding the proposed amendments. NEBS advises that the following consultation has been completed to date:

- The NEBS pension committee was consulted; a motion by the Board was subsequently passed endorsing the proposed amendments to the respective *Acts*;
- The Government of Nunavut (Department of Community and Government Services) and the GNWT (Finance) have been consulted about the proposed amendments (the respective Justice Departments of each jurisdiction were included in those discussions);
- The Nunavut Association of Municipalities and the Nunavut Association of Municipal Administrators were both consulted about the proposed amendments;
- The NWT Association of Communities and the Local Government Administrators of the NWT were both consulted about the proposed amendments;
- The proposed amendments were included in the NEBS Newsletter, which was distributed to all Employer Members;
- The proposed amendments have been listed on the NEBS website.

The proposed amendment to the *Northern Employee Benefits Services Pension Plan Act* will not require any consequential amendments to any other GNWT statutes.

For further information or questions, please contact:

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