

PARTICIPATION BY EMPLOYERS IN THE SOCIAL BENEFITS PLANS – JANUARY 2017

If you are a construction industry manager or a member of the company and you previously participated in the construction industry's social benefits plans as an employee, you may continue to do so under certain conditions.

SOCIAL BENEFITS PLANS

The construction industry's social benefits plans include insurance and pension plans. They are administered by the Commission de la construction du Québec (CCQ).

INSURANCE PLANS

There are two insurance periods per year. Each of these insurance periods corresponds to a reference period during which the hours required to be insured are accumulated. Each reference period contains six consecutive monthly report periods.

| Insurance period | Reference period |
|-----------------------|-----------------------|
| January 1 to June 30 | March to August |
| July 1 to December 31 | September to February |

Some restrictions apply to certain types of insurance coverage. For example, no salary insurance benefits are payable for total disability resulting from a work-related accident or from an occupational disease if the member of the company or the manager is not covered by the *Act Respecting Industrial Accidents and Occupational Diseases* when this accident or occupational disease occurs. Similarly, the member of the company or the manager is not entitled to salary insurance benefits for the first 17 weeks following the beginning of a disability if he is not covered by the *Employment Insurance Act*.

PENSION PLAN

For all participants in the plan, the hours declared to the CCQ and the associated pension contributions are recorded in their file. These hours and contributions are used to calculate the pension benefits they will be entitled to.

ELIGIBILITY FOR SOCIAL BENEFITS PLANS

People who have ceased to be a construction industry employee may continue to participate voluntarily in the social benefits plans if they fulfil certain conditions.

Among employers, two categories of persons are eligible: managers and members of the company. Since July 1, 1998, the way members of the company participate has been changed.

PARTICIPATION BY A MEMBER OF THE COMPANY

WHO IS CONSIDERED A MEMBER OF THE COMPANY?

The term "member of the company" means:

- a person who is an employer;
- OR
- a person who is a partner in a partnership that is an employer;
- OR
- a person who is an administrator of a sole partnership that is an employer;
- OR
- the designated representative in a partnership or sole partnership that is an employer.

Notes:

- An independent contractor is not considered a member of the company who can participate in the social benefits plans.
- A member of the company must have previously participated in the social benefits plans as an employee.

HOW IS A COMPANY IDENTIFIED AS AN EMPLOYER FOR THE SOCIAL BENEFITS?

To be identified as an employer for a given insurance period:

- the company must have paid the fees for registering with the CCQ (\$350), if applicable;

AND

- the company must hold a license from the Régie du bâtiment du Québec;

AND

- during the period of 12 consecutive months commencing 18 months before the insurance period in question, the company must have submitted at least five monthly reports declaring hours worked by at least one employee; if the company began operations during this 12-month period, at least one monthly report out of two must declare the hiring of at least one employee.

Example:

| | |
|---|--|
| To be identified eligible for the insurance period from | The company must have submitted monthly reports in the period from |
| July to December 2016 | January to December 2015 |
| January to June 2017 | July 2015 to June 2016 |
| July to December 2017 | January to December 2016 |

HOW CAN YOU GET INSURANCE VOLUNTARILY AS A MEMBER OF THE COMPANY?

By paying the required premium. In May and November, the CCQ sends the eligible member of the company a notice of insurability indicating the premium that he or she must pay to receive coverage under the general plan A in the following insurance period. **Some restrictions may apply to this coverage** (see previous page); refer to the information bulletin MÉDIC Construction – Basic Plan. The hours worked as an employee during the reference period, which were reported and paid to the CCQ, reduce the amount payable.

Members of the company are eligible to pay the premium if:

- they have not lost the right to participate in the social benefits plans (see next section);

AND

- their company is identified as an employer for the insurance period in question or was identified as an employer for one of the two previous insurance periods.

Note: A person who does not meet the latter condition does not lose his or her right to participate voluntarily in the social benefits plans but is not eligible for the period in question. That

person becomes eligible again when his or her company is recognized as an employer during a subsequent period.

Exclusions

A person cannot participate voluntarily in the insurance plans as a member of the company in the following situations:

- the person is age 65 or older before the beginning of the insurance period in question;
- the person has received at least one week of hour credits or is covered by the insurance prolongation benefit during the insurance period in question (the purpose of this condition is to prevent a disabled person from improving his or her insurance coverage by paying a premium);
- the person has lost the right to participate in the retirees insurance plan.

HOW CAN A MEMBER OF THE COMPANY LOSE THE RIGHT TO PARTICIPATE VOLUNTARILY IN THE SOCIAL BENEFITS PLANS?

A member of the company permanently loses the right to participate voluntarily in the social benefits plans in the following two cases:

- he or she paid the premium required to be insured under plan A during a previous insurance period and is not insured under plan A for the period in question.

Note: A person who has accumulated 750 hours as an employee does not have to pay anything and is deemed to have paid the premium.

OR

- he or she has never paid the necessary premium during a previous period and is not insured under plan A, B, C, or D during the period in question.

People who are not eligible to pay the insurance premium because their company is not identified as an employer does not lose their right to participate voluntarily in the social benefits plans.

If, as a member of the company, you lose your right to participate voluntarily in the social benefits plans, the hours recorded in your file are used to give you the best possible coverage (plan A, B, C, or D). For example, if 450 hours have been declared in your name at the CCQ for the reference period and if you have lost your right to participate as a member of the company, you will be insured under plan C.

If you have lost your right to voluntary participation as a company officer, since the July 2006 insurance period, prescription drug insurance coverage (plan Z) is available to you. You may obtain this coverage for the January 2017 period under the following conditions:

- You cannot be insured by plan A, B, C, or D for the January 2017 period; AND
- You are a member of the company linked to a company identified as an employer for the social benefits for the January 2017 period; AND
- You are under 65 years of age before the beginning of the January 2017 period; AND
- You pay the required premium before the deadline indicated on the insurability notice that is sent to you in November 2016.

HOW TO PARTICIPATE IN THE PENSION PLAN?

A member of the company who is eligible to pay the insurance contribution and who is insured under plan A receives a notice each fall notifying him or her that he or she can participate voluntarily in the pension plan if he or she is an employee of the company with which he or she is associated. Except for the hours worked as an employee, a member of the company is not obliged to contribute to the pension plan. However, he or she cannot participate exclusively in the pension plan.

Voluntary contributions by a member of the company must not bring the total hours contributed to the pension plan to more than 2,080 hours, including the hours worked as an employee (and the hours declared as a “designated representative registered as an employee” and as a “salaried administrator”).

Notes:

- Changes have been made to the pension plan. Since January 1, 2005, the contributions made to the general account have been used mainly to pay down the deficit in the plan; these contributions are not accumulating new pension funds. Only

contributions to the complementary account are used to accumulate a pension. The pamphlet *Overview of the Pension Plan in the Construction Industry* provides more information on this subject.

- Before participating voluntarily in the pension plan, a member of the company should consult his or her accountant or tax expert to ensure that his or her contribution does not exceed the limits allowed by Revenue Canada.
- The income tax slips (T4, Relevé 1, etc.) reflecting participation by a member of the company in the pension plan must be produced by his or her employer.

PARTICIPATION BY A MANAGER

WHO IS CONSIDERED A MANAGER?

A person who is employed as a manager by a professional employer but is not an administrator or the designated representative. For example, this category includes superintendents, site foremen and other representatives of the employer.

A manager may participate in the social benefits plans if:

- he or she previously participated in the social benefits plans as an employee;

AND

- the amounts in his or her construction industry pension file have not been completely reimbursed (if he or she has been totally reimbursed, he or she cannot participate).

A manager makes the voluntary contributions that will allow him or her to participate through the monthly reports submitted to the CCQ. The *Reference Guide for Completing the Employer's Monthly Report* describes how to pay these contributions.

If a person is not paid on an hourly basis, the number of hours of work declared per week for social benefits cannot exceed 60.

For additional information: The leaflets *The MÉDIC Construction Card*, *Insurability Requirements*, and *Insurance Plans A, B, C, D* will help you to better understand the insurance plans. The pamphlet *Overview of the Pension Plan in the Construction Industry* will provide you with information on the industry's pension plan. These publications are available at the offices of your employer association and those of the CCQ.

The present document has been produced and is distributed solely for information purposes. Only the *Règlement sur les régimes complémentaires d'avantages sociaux dans l'industrie de la construction* [c. R-20, r. 10] published by the Éditeur officiel du Québec has official and legal force. Therefore, it takes precedence over the information contained in the present document. The regulation can be accessed on the CCQ's website, under the MÉDIC Construction tab.

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