

Hon. Mr. Fisher.

NATIONAL PROVIDENT FUND AMENDMENT (No. 2).

ANALYSIS.

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A BILL INTITULED

AN ACT to amend the National Provident Fund Act, 1910.

Title.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

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1. (1.) This Act may be cited as the National Provident Fund Amendment Act, 1914, and shall form part of and be read together with the National Provident Fund Act, 1910 (hereinafter referred to as the principal Act).

Short Title

10 (2.) ~~This Act shall come into force on the first day of April, nineteen hundred and fifteen.~~

Commencement.

New.

15 (2A.) Sections *two to eighteen* hereof shall come into operation on a day to be notified by the Governor by Proclamation in the *Gazette*, being not later than the first day of July, nineteen hundred and *fifteen*, and the other sections shall commence on the passing of this Act.

Contributions by Local Authorities.

Interpretation.

2. In this Act, unless a contrary intention appears,—
- “Local authority” means a Borough Council, County Council, Town Board, Road Board, Harbour Board, Fire Board, Hospital and Charitable Aid Board, tramway company, or any body possessing rating-powers over any district: 5
- “Special resolution” means a resolution passed at a meeting of a local authority and confirmed at a subsequent meeting held not earlier than six clear days after the day on which the resolution was passed: 10
- “Prescribed” means prescribed by the principal Act or this Act or by regulations made thereunder.

Local authority may apply to become contributor to fund in respect of its employees.

3. (1.) Notwithstanding anything in the principal Act, a local authority may, in the prescribed form, apply to the Superintendent to become a contributor to the fund under that Act, on behalf of all or any of the persons in the service of that local authority. 15

(2.) Every such application shall contain the following particulars:—

- (a.) The name of every person then in the service of the local authority to whom the application relates: 20
- (b.) The age of that person:
- (c.) The rate of salary or wages payable to that person:
- (d.) The age at which the proposed pension is to be payable in respect of that person:
- (e.) The rate of the proposed pension (not exceeding a rate equal to two-thirds of the annual salary or wages or not exceeding *three* hundred pounds a year, whichever is the less) and such other benefits as may be required: 25
- (f.) Such other particulars as may from time to time be required by the Board. 30

Actuary to furnish table of contributions, &c.

4. (1.) On receipt of any such application, the Superintendent shall forthwith submit the same to the Actuary appointed under section twenty-four of the principal Act, and the Actuary shall as soon as practicable furnish the Board with a table of contributions, setting forth in respect of each person to whom the said application relates the amount of weekly or other periodical contributions to the fund required in the case of each such person to enable that person to receive the benefits specified in the application. 35

(2.) The table of contributions referred to in the *last preceding* subsection shall preserve so far as practicable the same proportion 40 between the rate of contributions payable and the proposed benefits as exists between the several rates of contributions payable and the benefits receivable in accordance with the principal Act.

(3.) In preserving such proportion as aforesaid, account shall be taken in each case of the age of the person concerned at the date of the first payment on his behalf, and at the date when the first instalment of the pension is proposed to be payable. 45

Board may agree to accept local authority as contributor, subject to conditions.

5. (1.) On receipt of a table of contributions from the Actuary as hereinbefore provided, the Board shall consider the same, and shall, if it thinks fit, decide to accept the applicant local authority 50

as a contributor to the fund on behalf of the persons (or any of them) referred to in the application, at the rates respectively set forth in the table of contributions aforesaid, or at such higher rates and subject to such other conditions as the Board thinks fit.

5 (2.) In the exercise of the powers conferred by the *last preceding* subsection the Board may vary any conditions imposed or benefits conferred by the principal Act.

(3.) The Board may decide to accept a local authority as a contributor in respect of any such person, notwithstanding the fact 10 that that person is not himself competent to become a contributor under section nine of the principal Act.

(4.) Forthwith upon the decision of the Board the Superintendent shall notify the local authority of the nature of that decision, and, where the Board has decided to accept the local authority as a 15 contributor, the terms and conditions (if any) fixed by the Board in pursuance of subsection one of this section.

6. (1.) On receipt of a notice from the Superintendent that the Board has decided to accept the local authority as a contributor to the fund, the local authority may, by special resolution, determine 20 to become a contributor in respect of any or all of the persons specified in its application, as from a date to be specified in such special resolution and subject to the terms and conditions (if any) fixed by the Board.

Local authority may, by special resolution, determine to become contributor

(2.) Every such special resolution shall specify the name and 25 age of every person in the service of the local authority to whom it relates, the age at which the first instalment of pension is proposed to be paid to that person, the rate of weekly or other contribution payable in respect of that person, and the proportion of that contribution to be deducted from salary or wages in pursuance 30 of section *eight* hereof.

Particulars to be specified in special resolution.

(3.) On the receipt by the Superintendent of a certified copy of such special resolution, under the seal of the local authority, the local authority shall be deemed to become a contributor to the fund on behalf of the persons referred to therein as from the date specified 35 therein.

Date when local authority becomes contributor.

7. (1.) On a local authority becoming a contributor to the fund as aforesaid, all contributions or other moneys from time to time due to the fund from the said local authority shall be deemed to be a debt due by that local authority to the Board, and may be recovered 40 accordingly on behalf of the Board by any person authorized by it in that behalf.

Board may recover contributions from local authority.

(2.) All moneys so due and payable may be paid by the local authority out of its ordinary revenues.

8. (1.) The local authority shall from time to time deduct 45 from the wages or salary of every person in respect of whom it is a contributor to the fund as provided by this Act, as such wages or salary becomes due or payable, an amount not exceeding two-thirds of the contribution payable by the local authority in respect of that person for the period in respect of which the wages or salary as 50 aforesaid is payable.

Local authority may deduct proportion of contribution from salary or wages of employees.

Proportions to be so deducted may vary in different cases.

(2.) The proportion of the contribution to be deducted from wages or salary in pursuance of this section may vary, in a manner to be approved by the Board, in respect of the persons referred to in any special resolution according to the ages of those persons, but shall not be varied from time to time except with the consent of the Board: 5

Provided that the total amount to be deducted for any period from the wages or salaries of all the persons in respect of whom a local authority is a contributor shall be not less than one-third part of the total contributions payable to the fund by the local authority for the same period in respect of those persons. 10

(3.) The proportion of the contribution payable by a local authority out of its funds on behalf of any person in respect of whom it is a contributor under this Act shall not be deemed to form part of the salary of wages of that person. 15

Employee entitled to refund of deductions on ceasing to be in service of local authority.

9. (1.) If any person in respect of whom a local authority is a contributor ceases to be in the service of that local authority before he becomes entitled to a pension under this Act, he shall thereupon be entitled to receive from the fund a refund of all moneys deducted by the local authority from his salary or wages in pursuance of the *last preceding* section, less any benefits he may have received from the fund whilst in the service of the local authority: 20

Provided that, in the case of a person who was competent to become a contributor to the fund under the principal Act on the date when the local authority became a contributor on his behalf under this Act, the Board may, on the application of that person, accept him as a contributor to the fund as from the said date, and shall thereupon apply the moneys which would otherwise be refunded to him under this section in payment of the contributions that would have been payable by the contributor if he had become a contributor on that date. 25 30

Refund to local authority of contributions paid by it.

(2.) In any case where a person ceases to be in the service of a local authority as aforesaid the local authority shall, on the termination of the contract of service, be entitled to receive from the fund a refund of all contributions paid by it in respect of the said person, less the amount deducted by that local authority from the wages or salary of that person in pursuance of section *eight* hereof, or less the amount of benefits received by that person from the fund whilst in the service of the local authority (whichever amount is the greater), or the local authority may, if it thinks fit, request the Board to credit to the local authority on behalf of some other person in respect of whom it is then or may afterwards become a contributor, the amount to which it is so entitled, and the amount shall be so credited accordingly. 35 40

Limitation of right to refund of contributions.

10. Notwithstanding anything in the principal Act, no moneys payable under this Act on behalf of any person in the service of a local authority shall (unless with the consent of the Board) be refunded except in pursuance of the *last preceding* section or of section *twelve* hereof, or in pursuance of section thirteen of the principal Act. 45 50

Local authority may from time to time become contributor in respect of other employees.

11. A local authority may, at any time after it becomes a contributor to the fund in pursuance of this Act, in the same manner become a contributor in respect of any other person or persons in its service.

National Provident Fund Amendment.

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12. (1.) A local authority being a contributor to the fund in pursuance of this Act may, by special resolution, and with the consent of the persons concerned, elect to reduce or to increase its contributions in respect of any person or persons in its service, and thereupon the provisions of subsections four to six of section twelve of the principal Act shall, so far as applicable, apply.

Local authority may elect to increase or reduce contributions.

(2.) On any such election, the Superintendent shall cause to be prepared a table of contributions for each person to whom the special resolution referred to in subsection *one* hereof applies.

(3.) Where the contributions of a local authority in respect of any person are reduced in pursuance of this section the provisions of section *nine* hereof shall, so far as applicable, apply to the contributions theretofore paid in excess of the contributions payable in accordance with the rate as so reduced.

13. Any local authority may become a contributor to the fund in pursuance of this Act in respect of any person in its service, without the consent or authority and notwithstanding the objection of that person.

Local authority may become contributor without consent of employee.

14. For the purposes of sections thirteen to twenty-one of the principal Act every person in respect of whom a local authority is a contributor to the fund in pursuance of this Act shall himself be deemed to be a contributor to the fund, and shall, except so far as is otherwise specified by the Board in pursuance of section *five* hereof, be entitled to the benefits conferred by those sections:

Employee deemed to be contributor for certain purposes.

Provided that any moneys receivable by way of pension under this Act in excess of the rate of ten shillings a week shall, notwithstanding anything in the principal Act, be deemed to be income within the meaning of the Pensions Act, 1913.

15. (1.) Where any person in respect of whom a local authority is a contributor under this Act is a member of a friendly society or a branch thereof, the Board may, on the request in writing of the member, pay to the friendly society or branch, at such times and in such manner as may be prescribed by regulations, an amount not exceeding the amounts from time to time payable by that member pursuant to the rules of the society or branch in respect of the benefits chargeable on the sick and funeral fund.

Special provisions to apply where local authority contributes on behalf of person who is a member of a friendly society.

(2.) The amounts so paid to a friendly society or branch shall be deducted from the payments due by the member to the society or branch, and shall be applied for the purposes for which the sick and funeral fund of the society or branch is applicable.

(3.) In determining, pursuant to subsection *two* of section *five* hereof, the benefits to which any such person is entitled under the principal Act as amended by this Act, the Board shall not take into account any moneys payable by it in respect of that person to a friendly society or branch pursuant to this section.

(4.) For the purposes of subsection *one* of section *nine* hereof moneys paid under this section to a friendly society or branch in respect of any member thereof shall be deemed to be benefits received by that member from the fund.

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Contributions by Employers.

16. (1.) Any employer other than a local authority may, by agreement with the Board, become a contributor to the fund in respect of any or all of the persons employed by him, in the same manner as if

Other employers may become contributors in respect of employees.

the employer were a local authority; and the foregoing provisions of this Act shall, so far as applicable and with the necessary modifications, extend and apply accordingly.

New.

(2.) For the purposes of this section the term "employer" includes any association or body of persons, whether corporate or unincorporate, and any committee appointed by such association or body having power to employ persons. 5

Contributions by Friendly Societies or Branches.

Friendly society may contribute to fund in respect of members.

17. (1) Any friendly society or branch may, on application to the Board, agree to become a contributor to the fund in respect of any or all of its members, and shall thereupon collect the contributions from time to time due to the fund from the members in respect of whom it is a contributor, and pay the same to the fund. 10

(2.) The provisions of sections *three* to *fourteen* hereof shall, so far as possible and with the necessary modifications, apply to contributions by friendly societies under this section. 15

(3.) In the application of the provisions of section *nine* hereof to contributors under this section references to persons who cease to be in the service of a local authority shall be deemed to be references to persons who cease to be members of the friendly society or branch that has agreed to contribute to the fund in respect of them. 20

Special Provisions as to Industrial Unions and Trade-unions.

Industrial union or trade-union may determine that its members shall become contributors.

18. (1.) Any industrial union of workers registered under the Industrial Conciliation and Arbitration Act, 1908, and any trade union registered under the Trade Unions Act, 1908, may, by special resolution, determine that its members shall become contributors to the fund under the principal Act on such terms and subject to such conditions as may be agreed on by the union and the Board: 25

Provided that no person who is a member of a friendly society shall be bound to become a contributor to the fund under this section. 30

(2.) On the completion of an agreement between the union and the Board, the union may cause notice in the prescribed form to be sent to the several employers of the members of the union, setting out in respect of each member the weekly or other payment required to be made to the fund in respect of that member, and requesting the employer to deduct the said amount from the wages or salary of the worker as the same becomes due and payable, and to pay the same into the fund on account of the said member. 35 40

(3.) On the receipt of any such notice in respect of a worker the employer shall have authority to make deductions from the salary or wages of that worker according to the tenor of the notice, and to pay the same into the fund accordingly.

(4.) For the purposes of this section a "special resolution" means a resolution which is— 45

(a.) Passed, by a majority of not less than three-fourths of the members of the union for the time being entitled to vote under the rules of the union, at any general meeting of which notice specifying the intention to propose the resolution has been duly given according to the rules; and 50

(b.) Confirmed by a majority of the members for the time being entitled to vote under the rules of the union at a subsequent general meeting of which notice has been duly given, held not less than fourteen days nor more than one month from the day of the meeting at which the resolution was first passed.

Miscellaneous Amendments of Principal Act.

19. (1.) The Public Service Commissioner may from time to time appoint a fit person to be Deputy Superintendent of the fund.

Deputy Superintendent of fund may be appointed.

(2.) On the occurrence from any cause of a vacancy in the office of Superintendent (whether by reason of death, resignation, or otherwise) and in the case of the absence from duty of the Superintendent, and so long as such vacancy or absence continues, the Deputy for the time being shall have and may exercise all the powers, duties, and functions of the Superintendent.

20. (1.) Notwithstanding anything in the principal Act, any person may become a contributor to the fund on behalf of any other person or persons qualified to become contributors in pursuance of section nine of the principal Act.

Persons may contribute to fund on behalf of other qualified persons.

(2.) Any person who becomes a contributor to the fund in pursuance of this section may cease to contribute in the same manner as if he were a contributor under the principal Act, and shall be entitled to receive a refund of all contributions theretofore made by him less any sums theretofore received from the fund by the person on whose behalf the contributions were made.

(3.) A contributor under this section may also elect to increase or reduce the rate of his contributions in the manner prescribed by section twelve of the principal Act, and the provisions of that section shall, with the necessary modifications, apply accordingly.

(4.) For the purposes of sections thirteen to twenty-one of the principal Act, every person on whose behalf contributions are made in pursuance of this section shall be deemed to be a contributor to the fund and entitled accordingly to the benefits conferred by those sections.

(5.) A contributor to the fund under this section shall not be entitled to receive on his own behalf any benefits from the fund other than a refund of contributions as provided in this section.

21. Section three of the principal Act is hereby amended by inserting, after the words "belonging thereto," the words "and not for the time being required for the payment of benefits under this Act."

Section 3 of principal Act amended.

New.

21A. Section nine of the principal Act is hereby amended by inserting, after the words "two hundred" in paragraph (d) of subsection one, the words "and fifty."

Increasing limit of income of persons qualified to become contributors.

22. Section ten of the principal Act is hereby amended by adding to subsection four thereof the following proviso:—

Section 10 of principal Act amended.

"Provided that the Board may in its discretion waive the payment or reduce the amount of any such fine."

23. (1.) Section twelve of the principal Act is hereby amended adding to subsection six thereof the following proviso:—

Section 12 of principal Act amended.

"Provided that the total amount of contributions so made in excess of the reduced rate shall, if the contributor so desires, be

accepted, as from the date of election to reduce his contributions, as payment in advance of future contributions, or in respect of the payment of contributions in arrears or of fines due from and payable by the contributor."

(2.) Section twelve of the principal Act is hereby further amended by adding the following subsection:— 5

"(7.) A married contributor may at any time while he is under the age of fifty-five years elect in the prescribed manner to have his right to a pension determined, and to receive in lieu thereof a right that he and his wife shall, on his attaining the age of sixty years, be jointly entitled to a pension, for such amount as the Board may determine, to continue in force until the death of the survivor." 10

Section 14 of principal Act amended.

24. Section fourteen of the principal Act is hereby amended by repealing subsection six, and substituting the following subsections therefor:— 15

"(6.) In the case of the death of a contributor, being a married woman leaving a child or children under the age of fourteen years, no allowance under this section shall be payable in respect of such child or children until the subsequent death of the husband of the deceased contributor before the said child or children attain the age of fourteen years. 20

"(7.) From an allowance granted under the *last preceding* subsection the Board shall make such deductions as it determines in respect of payments previously made under section *fifteen* hereof to the personal representatives of the deceased contributor." 25

Section 18 of principal Act amended.

25. Subsection one of section eighteen of the principal Act is hereby amended by inserting, after the words "not less than twelve months," the words "or for such shorter period as the Board in its discretion determines."

Contributions under principal Act may be reduced if paid for not less than five years in advance.

26. Notwithstanding anything in the principal Act, where contributions ~~are~~ *have been or may hereafter be* paid in advance in respect of a period not less than five years the amount of those contributions may be reduced in the manner and to the extent prescribed by regulations in that behalf. 30

Regulations.

27. In addition to the powers conferred by section seven of the principal Act, the Governor may from time to time, by Order in Council, make such regulations, not inconsistent with this Act, as he deems necessary or expedient for giving full effect to the provisions thereof. 35