



ANALYSIS

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1994, No. 71

An Act to amend the Fire Service Act 1975

[1 July 1994]

BE IT ENACTED by the Parliament of New Zealand as follows:

1. Short Title—This Act may be cited as the Fire Service Amendment Act 1994, and shall be read together with and deemed part of the Fire Service Act 1975 (hereinafter referred to as the principal Act).

2. New sections inserted—The principal Act is hereby amended by inserting, after section 62A (as inserted by section 46 of the Fire Service Amendment Act 1990), the following sections:

“**62B. Fire Service Restructuring Fund**—(1) As soon as may be after the 30th day of June 1994 the Commission shall establish a fund to be known as the Fire Service Restructuring Fund (in sections 62C to 62F of this Act referred to as the Restructuring Fund).

“(2) The Commission shall not pay any money into the Restructuring Fund except in accordance with section 62C (1) or section 62D (1) of this Act.

“(3) The Commission shall invest in accordance with the Public Finance Act 1989 all money in the Restructuring Fund; and the proceeds from its investment shall be deemed to be income earned by the Commission.

“(4) The Commission shall not expend any money out of the Restructuring Fund except in accordance with section 62C (2), section 62D (2), or section 62F of this Act.

“62c. Operation of Restructuring Fund in 1994/95—

(1) At any time or times after the Restructuring Fund is established and before the 1st day of July 1995, the Commission may pay into the Restructuring Fund from the proceeds of the levy any sum or sums not exceeding in total \$10,000,000.

“(2) Subject to section 62E of this Act, at any time or times after the Restructuring Fund is established and before the 1st day of July 1995, the Commission may expend money out of the Restructuring Fund for the purpose of making payments of all or any of the following kinds:

- “(a) Payments in respect of personnel costs relating to the redeployment of members of the Fire Service arising out of the restructuring of the Fire Service:
- “(b) Payments in respect of the redundancy of members of the Fire Service arising out of the restructuring of the Fire Service:
- “(c) Payments in respect of the early retirement of members of the Fire Service arising out of the restructuring of the Fire Service, including, in the case of members with not less than 10 years continuous service on retirement, payments under section 55 of this Act.

“62d. Operation of Restructuring Fund in 1995/96—

(1) At any time or times after the 30th day of June 1995 and before the 1st day of July 1996, the Commission may pay into the Restructuring Fund from the proceeds of the levy any sum or sums not exceeding in total the difference between—

“(a) \$20,000,000; and

“(b) The amount (if any) in the Restructuring Fund at the close of the 30th day of June 1995.

“(2) Subject to section 62E of this Act, at any time or times after the 30th day of June 1995 and before the 1st day of July 1996, the Commission may expend money out of the Restructuring Fund for the purpose of making payments of all or any of the following kinds:

- “(a) Payments in respect of personnel costs relating to the redeployment of members of the Fire Service arising out of the restructuring of the Fire Service:
- “(b) Payments in respect of the redundancy of members of the Fire Service arising out of the restructuring of the Fire Service:

“(c) Payments in respect of the early retirement of members of the Fire Service arising out of the restructuring of the Fire Service, including, in the case of members with not less than 10 years continuous service on retirement, payments under section 55 of this Act.

“62E. Commission to report on expenditure proposals—(1) The Commission shall not expend any money out of the Restructuring Fund unless,—

“(a) It has, before or after the commencement of the Fire Service Amendment Act 1994, given the Minister of State Services and the Minister of Finance (hereafter in this section referred to as the supervising ministers) a written report on its proposals for the expenditure of that money; and

“(b) The supervising ministers have, before or after the commencement of the Fire Service Amendment Act 1994, given it written confirmation that they are satisfied that—

“(i) The proposals contained in the report; or

“(ii) Some modified version of those proposals specified in the confirmation,—
are reasonable.

“(2) The Commission shall ensure that at all times its expenditure out of the Restructuring Fund is in conformity with proposals in respect of which the supervising ministers have given it confirmation under subsection (1)(b) of this section.

“(3) The supervising ministers may at any time give the Commission a written direction to report to them in relation to any matter concerning the Restructuring Fund or expenditure out of it; and in that case the Commission shall do so.

“62F. Unexpended money to revert to Levy in Advance Account—As soon as may be after the 30th day of June 1996 (or any earlier day on which the Commission is satisfied that no further payments will need to be made out of the Restructuring Fund) the Commission shall—

“(a) Credit all money remaining in the Restructuring Fund to its Levy in Advance Account; and

“(b) Close the Restructuring Fund.”

3. Consequential amendments—(1) Section 45 (3) of the principal Act (as substituted by section 29 (1) of the Fire Service Amendment Act 1990) is hereby consequentially amended by inserting, after the words “capital expenditure”, the words

“and any expenditure from the Restructuring Fund established under section 62B (1) of this Act”.

(2) Section 47 of the principal Act (as substituted by section 32 (1) of the Fire Service Amendment Act 1990) is hereby consequentially amended by repealing subsection (9), and substituting the following subsection:

“(9) For the purposes of this section, ‘actual net expenditure’ means that portion of the Commission’s expenditure (excluding any expenditure from the Restructuring Fund established under section 62B (1) of this Act) to be funded from income in any financial year that is not funded from the proceeds of income earned by the Commission.”

This Act is administered in the Department of Internal Affairs.
