



## ANALYSIS

## Title

## 1. Short Title and commencement

## PART I

## ANNUAL ADJUSTMENTS TO ALLOWANCES PAYABLE TO CONTRIBUTORS UNDER THE AGE OF 60 YEARS

2. Commencement
3. Interpretation
4. Application of this Part
5. Provision for annual adjustment
6. Initial adjustments
7. Percentage of annual adjustment
8. Amount of annual adjustment
9. Rights of surviving spouses
10. Cessation of adjustments
11. Application of Government Superannuation Fund Amendment Act 1969 to retiring allowances of contributors and annuities of surviving spouses

## PART II

## MISCELLANEOUS AMENDMENTS OF PRINCIPAL ACT

12. Compulsory contribution requirements
13. Rights of certain spouses who marry contributors after entitlement to a retiring allowance has arisen
14. Dependency requirement for minimum annuity to widowers removed
15. Restriction on maximum annuity for certain surviving spouses removed
16. Restriction on amount of spouse's annuity removed
17. Restriction on eligibility of certain surviving spouses to receive annuity or refund of contributions on death of contributor
18. Election by Judge or surviving spouse to surrender proportion of retiring allowance or annuity and receive cash payment
19. Election to surrender proportion of annuity and receive cash payment
20. Annual subsidies from Government

1979, No. 46

**An Act to amend the Government Superannuation Fund Act 1956**  
[20 November 1979]

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

**1. Short Title and commencement**—(1) This Act may be cited as the Government Superannuation Fund Amendment Act 1979, and shall be read together with and deemed part of the Government Superannuation Fund Act 1956 (hereinafter referred to as the principal Act).

(2) Except as provided by sections 2, 12 (3), 13 (3), 18 (2), and 19 (2) of this Act, this Act shall come into force on the day on which it receives the Governor-General's assent.

## PART I

### ANNUAL ADJUSTMENTS TO ALLOWANCES PAYABLE TO CONTRIBUTORS UNDER THE AGE OF 60 YEARS

**2. Commencement**—This Part of this Act shall be deemed to have come into force on the 12th day of April 1979.

**3. Interpretation**—For the purposes of this Part of this Act—

“Aggregate percentage of increase”, in relation to any basic allowance, means the aggregate percentage of increase determined pursuant to section 7 of this Act:

“Basic allowance” means the annual amount of the retiring allowance, annual allowance, or annuity as initially payable under the principal Act, after the effect of any election made under section 48 or section 91 or section 91A of that Act, or under the corresponding provisions of any former Act, but disregarding the effect of any election made under section 40 of that Act or under the corresponding provisions of any former Act:

“Date of qualification”, in relation to any contributor, means,—

(a) In the case of any contributor to whom section 4 (a) or section 4 (b) or section 4 (c) of this Act applies, the 31st day of March 1979:

(b) In the case of any contributor to whom section 4 (d) or section 4 (g) of this Act applies, the date upon which he would have completed 40 years of Government service if he had not retired:

(c) In the case of any contributor to whom section 4 (e) or section 4 (f) of this Act applies, the date upon which he retires from the Government service.

“Government service” means—

(a) Government service as defined in section 2 (1) of the principal Act; and

(b) Includes “contributory service” as so defined; but

(c) Does not include any service that is subject to any Act that excludes such service from the provisions of the principal Act or any corresponding former Act.

**4. Application of this Part**—This Part of this Act shall apply to every contributor under Part II of the principal Act who is less than 60 years of age, being—

(a) A contributor who, after having completed 40 years or more of contributory service, retired from Government service before the 1st day of April 1979; or

(b) A contributor who, without having completed 40 years or more of contributory service but after having completed 40 years or more of Government service, retired from Government service before the 1st day of April 1979 and qualified for a retiring allowance pursuant to section 35 (3) (g) of the principal Act; or

(c) A contributor who, without having completed 40 years or more of contributory service or 40 years or more of Government service, retired from the Government service before the 1st day of April 1979 and survived for such period that he would have completed 40 years of Government service before the 1st day of April 1979 if he had not retired from the Government service; or

(d) A contributor who, without having completed 40 years or more of contributory service or 40 years or more of Government service, retired from the Government service before the 1st day of April 1979, but survives for such period that he would have completed 40 years of Government service after the 31st day of March 1979 if he had not retired from the Government service; or

(e) A contributor who, after having completed 40 years or more of contributory service, retires from the Government service after the 31st day of March 1979; or

- (f) A contributor who, without having completed 40 years or more of contributory service but after having completed 40 years or more of Government service, retires from the Government service after the 31st day of March 1979, and who qualifies for a retiring allowance pursuant to section 35 (3) (g) of the principal Act; or
- (g) A contributor who, without having completed 40 years or more of contributory service or 40 years or more of Government service, retires from the Government service after the 31st day of March 1979, but who survives for such period that he would have completed 40 years of Government service had he not retired from the Government service.

**5. Provision for annual adjustment**—Subject to section 6 of this Act, every retiring allowance payable pursuant to Part II of the principal Act to a contributor to whom this Part of this Act applies shall be adjusted annually with effect on and after the first 4-weekly payment of the retiring allowance under section 89 of the principal Act in each financial year.

**6. Initial adjustments**—(1) Subject to subsection (2) of this section, the initial adjustment to be made to any retiring allowance shall be made with effect on and after the first annual adjustment date in the financial year commencing after the contributor's date of qualification.

(2) Where the date of qualification of a contributor is before the 1st day of April 1979, the initial adjustment shall be made with effect on and after the 12th day of April 1979.

**7. Percentage of annual adjustment**—The aggregate percentage of increase to be applied to a basic allowance in accordance with section 5 of this Act for the purpose of determining the annual adjustment for any year shall be the percentage (if any) calculated to 2 decimal places, as certified by the Government Statistician and proportionately adjusted (where appropriate) in accordance with either the Second Schedule to the Government Superannuation Fund Amendment Act 1969 or section 2 (8) of that Act, as the case may be, by which the all groups index number of

the New Zealand Consumer Price Index for the December quarter of the calendar year immediately preceding that which includes the date for the annual adjustment exceeds the basic index number, being—

- (a) In any case where the date of qualification falls between the 1st day of October and the 31st day of March (both days inclusive), the basic index number for the preceding June quarter:
- (b) In any case where the date of qualification falls between the 1st day of April and the 30th day of September (both days inclusive), the basic index number for the preceding December quarter.

**8. Amount of annual adjustment**—(1) Subject to subsection (2) of this section, the annual amount of the retiring allowance to be paid on and after the date of any annual adjustment until the next adjustment shall be determined by adding to the basic allowance an amount calculated by applying the aggregate percentage of increase to the basic allowance.

(2) The annual amount of any retiring allowance as so determined, to be paid on and after the date of any annual adjustment, shall be increased or reduced, as the case may be, in accordance with any election by the contributor under section 40 of the principal Act or under the corresponding provisions of any former Act.

**9. Rights of surviving spouses**—If a surviving spouse elects pursuant to section 45 (1) (a) (i) or section 46 (1) (a) (i) of the principal Act to receive an annuity, then the retiring allowance of the deceased contributor shall be deemed to include any adjustments made pursuant to this Part of this Act before the date of death of the contributor.

**10. Cessation of adjustments**—Notwithstanding any of the foregoing provisions of this Part of this Act, no adjustments to any retiring allowance pursuant to this Part of this Act shall be made with respect to any period on or after the annual adjustment date next following the 60th anniversary of the contributor's birth.

**11. Application of Government Superannuation Fund Amendment Act 1969 to retiring allowances of contributors and annuities of surviving spouses—**(1) Subject to subsection (2) of this section, the provisions of the Government Superannuation Fund Amendment Act 1969 shall apply to:

- (a) Any retiring allowance of any contributor to whom this Part of this Act applies if that contributor attains the age of 60 years; and
- (b) Any annuity payable to a surviving spouse of any contributor to whom this Part of this Act applies.

(2) No adjustments pursuant to section 4 of the Government Superannuation Fund Amendment Act 1969 shall be made to any retiring allowance, or to any annuity payable to a surviving spouse, until such time as the retiring allowance or annuity so adjusted pursuant to that Act would exceed the retiring allowance or annuity as adjusted pursuant to this Part of this Act.

(3) For the purpose of determining—

- (a) When any annuity payable to a surviving spouse pursuant to section 4 of the Government Superannuation Fund Amendment Act 1969 would exceed any annuity as adjusted pursuant to this Part of this Act; and
- (b) The amount of the annuity that forms the basic allowance for the purposes of section 6 of the Government Superannuation Fund Amendment Act 1969,—

the annuity of any surviving spouse shall not include any amount by which it was increased pursuant to section 9 of this Act, and shall be reduced by any amount surrendered pursuant to section 91A of the principal Act.

## PART II

### MISCELLANEOUS AMENDMENTS OF PRINCIPAL ACT

**12. Compulsory contribution requirements—**(1) The principal Act is hereby amended by repealing section 22A and substituting the following section:

“22A. (1) Notwithstanding anything to the contrary in section 22 of this Act, every person who becomes permanently employed in the Government service, and whose age does not exceed 25 years, shall become a contributor to the Fund from the date of his permanent appointment to the Government service or from the date on which he attains the age of 17 years, whichever is the later.

“(2) Where any person has become a contributor to the Fund under subsection (1) of this section, sections 28 and 30 of this Act shall not apply to that contributor until the date on which the contributor attains the age of 25 years.

“(3) Subsections (1) and (2) of this section shall not apply with respect to any married woman who became employed in the Government service before the 1st day of April 1980, so long as that person remains continuously employed in the Government service.

“(4) Subsection (2) of this section shall not apply where any notice under section 28 of this Act is given by a female contributor in anticipation of marriage, if that contributor—

“(a) Became employed in the Government service before the 1st day of April 1980 and has remained continuously employed in the Government service up to the date on which she gives the notice; and

“(b) Is a married woman on the expiration of the period of the notice, or such extended period as the Board, in its discretion, may allow.

“(5) For the purposes of this section a student who is admitted to a teachers college in any division, except the Special Division, shall be deemed to become permanently employed in and appointed to the Government service on the date on which he is so admitted.”

(2) The following enactments are hereby consequentially repealed:

(a) Section 3 of the Government Superannuation Fund Amendment Act 1963:

(b) Section 2 of the Government Superannuation Fund Amendment Act 1967.

(3) This section shall come into force on the 1st day of April 1980.

**13. Rights of certain spouses who marry contributors after entitlement to a retiring allowance has arisen—**(1) Section 45 of the principal Act (as substituted by section 8 (1) of the Government Superannuation Fund Amendment Act 1976) is hereby amended by inserting, after subsection (1), the following subsection:

“(1A) The first proviso to subsection (1) (a) of this section shall not apply where a deceased contributor leaves a widow—

- “(a) Whom he married after he became entitled to a retiring allowance, or after the 31st day of December 1948 (whichever is the later); and
- “(b) Whom the Board, in its discretion, regards as having been his wife immediately before he became entitled to a retiring allowance, or before the 31st day of December 1948 (whichever is the later).”

(2) Section 46 of the principal Act (as substituted by section 9 (1) of the Government Superannuation Fund Amendment Act 1976) is hereby amended by inserting, after subsection (1), the following subsection:

“(1A) The first proviso to subsection (1) (a) of this section shall not apply where a deceased contributor leaves a widower—

- “(a) Whom she married after she became entitled to a retiring allowance, or after the 31st day of December 1948 (whichever is the later); and
- “(b) Whom the Board, in its discretion, regards as having been her husband immediately before she became entitled to a retiring allowance, or before the 31st day of December 1948 (whichever is the later).”

(3) This section shall be deemed to have come into force on the 1st day of April 1975 (being the date on which sections 8 and 9 of the Government Superannuation Fund Amendment Act 1976 were, by section 1 (2) of that Act, deemed to have come into force).

**14. Dependency requirement for minimum annuity to widowers removed**—(1) Section 46 (1) (a) (i) of the principal Act is hereby amended by omitting the words “(where she leaves a spouse who is her widower and who in the opinion of the Board was totally or partially dependent on her immediately before her death)”, and substituting the words “in the case of a widower”.

(2) Section 87 (1) (a) (i) of the principal Act (as substituted by section 32 (1) of the Government Superannuation Fund Amendment Act 1976) is hereby amended by omitting the first proviso, and substituting the following proviso:

“Provided that in the case of a widow or widower the payment shall be a minimum of \$390 per annum:”.

**15. Restriction on maximum annuity for certain surviving spouses removed**—(1) Section 73 (8) of the principal Act (as amended by section 5 (5) of the Government Superannuation Fund Amendment Act 1970) is hereby amended by omitting from the proviso to that subsection the words “and subject to any adjustment thereto made under the Superannuation Amendment Act 1969 shall not exceed 25 percent of that salary”.

(2) Section 5 (5) of the Government Superannuation Fund Amendment Act 1970 is hereby consequentially repealed.

**16. Restriction on amount of spouse’s annuity removed**—Section 79 (1) (a) of the principal Act (as inserted by section 30 (1) of the Government Superannuation Fund Amendment Act 1976) is hereby amended by omitting from the second proviso to that paragraph the words “or (subject to any adjustment thereto made under the Act heretofore known as the Superannuation Amendment Act 1969) exceed 25 percent of that salary:”.

**17. Restriction on eligibility of certain surviving spouses to receive annuity or refund of contributions on death of contributor**—(1) Section 79 (1) of the principal Act is hereby amended by adding the following paragraph:

“(d) Paragraph (a) of this subsection shall not apply in any case where the Board, in its discretion, considers that the surviving spouse was not the spouse of the contributor when he retired or resigned from office.”

(2) Section 87 (1) of the principal Act (as substituted by section 32 (1) of the Government Superannuation Fund Amendment Act 1976) is hereby amended by inserting, after paragraph (b), the following paragraph:

“(ba) Paragraph (a) of this subsection shall not apply in any case where the Board, in its discretion, considers that the surviving spouse was not the spouse of the member when he ceased to be a member:”.

**18. Election by Judge or surviving spouse to surrender proportion of retiring allowance or annuity and receive cash payment**—(1) The principal Act is hereby amended by inserting, after section 79, the following section:

“79A. (1) Sections 91 and 91A of this Act shall apply, so far as they are applicable and with the necessary modifications, to any person who is entitled to receive a retiring allowance or annuity under this Part of this Act.

“(2) For the purposes of section 81 (2) of this Act, every payment under section 91 or section 91A of this Act that is authorised by subsection (1) of this section shall be deemed to be paid under this Part of this Act.”

(2) This section shall be deemed to have come into force on the 1st day of April 1979.

**19. Election to surrender proportion of annuity and receive cash payment—**(1) The principal Act is hereby amended by inserting, after section 91, the following section:

“91A. (1) This section shall apply to any surviving spouse who becomes entitled to an annuity on or after the 12th day of April 1979 and who is less than 61 years of age at the time the entitlement to the annuity arises.

“(2) Where any such surviving spouse of any contributor becomes entitled to an annuity under this Act, such spouse may elect to surrender the right to a proportion of the annuity and to receive instead payment out of the Fund of a sum equal to 9 times the amount by which the annuity is reduced pursuant to the surrender.

“(3) Any election under this section shall be made in writing delivered to the Superintendent before the surviving spouse has accepted any instalment of the annuity.

“(4) No surviving spouse shall have the right to revoke, amend, or extend any election made under this section.

“(5) The proportion of the annuity that any surviving spouse elects to surrender under this section shall not exceed one-fourth.

“(6) On the making of any such election, the annuity payable to the surviving spouse shall be reduced by the same proportion as that which the surviving spouse has elected to surrender as aforesaid, and all rights in respect of the proportion so surrendered shall be deemed to be determined.”

(2) This section shall be deemed to have come into force on the 12th day of April 1979.

**20. Annual subsidies from Government—**(1) Section 95 (1) of the principal Act is hereby amended by repealing paragraph (a), and substituting the following paragraph:

“(a) The amount by which the amount of the benefits estimated to be payable out of the Fund during that year exceeds the sum of the proportion of those benefits certified by the Government Actuary as having been provided by the contributions paid in respect of those benefits and the amounts estimated to be paid into the Fund during that year under subsection (2) of this section; and”.

(2) Section 95 of the principal Act is hereby amended by repealing subsection (4) (as substituted by section 34 of the Government Superannuation Fund Amendment Act 1976), and substituting the following subsection:

“(4) For the purposes of this section the term ‘benefits’ includes any payments made in respect of any employers’ contributions in connection with the making of refunds of contributions or providing transfer values under section 35 of the Government Superannuation Fund Amendment Act 1976.”

---

This Act is administered in the Treasury.

---