ANALYSIS

1965, No. 99

An Act to amend the National Provident Fund Act 1950

[*27 October 1965*

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—This Act may be cited as the National Provident Fund Amendment Act 1965, and shall be read together with and deemed part of the National Provident Fund Act 1950 (hereinafter referred to as the principal Act).

2. Limiting subsidies in certain cases—Section 38A of the principal Act (as inserted by section 3 of the National Provident Fund Amendment Act 1958) is hereby amended by repealing subsection (3) and substituting the following subsections:

"(3) No subsidy shall be payable under section 71 of this Act in respect of any contributions paid into the Fund under any scheme or schemes authorised under subsection (2) of this section to the extent—

"(a) That the contributions, together with any other contributions paid into the Fund under this Part of this Act, will secure for any contributor a pension that exceeds two hundred shillings a week:

"(b) That the contributions under any such scheme or schemes in respect of any contributor in any one contribution year exceed five hundred pounds unless the Board agrees that the excess contributions shall qualify for the subsidy.

"(3A) For the purposes of this section the term 'contribution year' in relation to any contributor means a year commencing on the first day of the month following the month in which his birthday falls and ending on the last day of the month in which his next birthday falls."

3. Certain organisations may become contributors—Section 60 of the principal Act (as substituted by section 6 (1) of the National Provident Fund Amendment Act 1964) is hereby amended by adding the following subsections:

"(4) Notwithstanding anything in subsection (2) of this section, any agreement entered into under this section may provide that:

"(a) The Board shall keep a separate account in respect of all receipts and payments made under—

"(i) The agreement; or

"(ii) The agreement and any other agreements entered into under this section:

"(b) Any such separate account shall be credited at the end of each year—

"(i) With the income actually earned by those investments that the parties agree are held to the credit of the separate account; and

"(ii) With the income on the balance of the money credited to the separate account at the average rate earned in that year by all other investments of the Fund:

"(c) The agreement may be terminated by the contributor or the Board:

"(d) Upon the termination of an agreement under paragraph (c) of this subsection that:

"(i) The actuary for the time being appointed to conduct examinations of the Fund under section 70 of this Act shall assess the net liability of the Board under the agreement:

"(ii) If the balance standing to the credit of the contributor in any separate account kept under the agreement is less than the amount assessed by the actuary as aforesaid the amount of the deficiency in such balance shall be met by the Minister:

"(iii) Any such balance (including any amount paid by the Minister pursuant to subparagraph (ii) of this paragraph) shall be paid to the contributor subject to it agreeing to meet any future liabilities that would have been incurred by the Board had the agreement continued in existence.

"(5) Where any deficiency arises under any agreement which implements the provisions of paragraph (d) of subsection (4) of this section, the Minister shall, on being so requested by the Superintendent, pay into the Fund by way of subsidy out of the Consolidated Revenue Account, without further appropriation than this section, such amount as may be required to meet the deficiency."

This Act is administered in the Treasury.