

Hon. Mr. Ward.

CIVIL SERVICE INSURANCE.

ANALYSIS.

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A BILL INTITULED

AN ACT to organize and regulate Annuity and Insurance Policies to be effected by the Civil Servants of New Zealand by means of Deductions from Salaries, and to provide Benefits on Retirement.

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

1. The Short Title of this Act is "The Civil Service Insurance Act, 1893," and it shall come into operation on the first day of January, one thousand eight hundred and ninety-four, save that nevertheless all sections hereof necessary for regulating the administration of this Act shall be deemed to be in force as from the passing hereof.

2. Subject to the provisions of this Act, sections eleven and twelve of "The Civil Service Reform Act, 1886," are hereby repealed.

3. This Act shall apply, *mutatis mutandis*, to females as well as to males, and words herein importing the masculine gender shall be construed to apply to and to include females.

4. Except as provided by this Act, nothing herein shall apply to—

- (1.) Responsible Ministers of the Crown ;
- (2.) Judges of the Supreme Court ;

- (3.) The Speaker or Chairman of Committees of either House of the General Assembly ;
- (4.) The Agent-General of the colony in London ;
- (5.) Officers, non-commissioned officers, and men of the Defence Force ;
- (6.) Postmasters not permanently and exclusively employed in the Civil Service ;
- (7.) Railway servants in permanent employ as such ;
- (8.) Persons employed in the public service paid by fees or commission as their sole remuneration or in lieu of salary ;
- (9.) Persons employed in manual labour, mechanics, artificers, other than persons permanently employed in the Government Printing Office ;
- (10.) Persons holding any honorary office, or employed for temporary service only.

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Interpretation.

5. In this Act,—

“ Officer ” means any person employed in any permanent capacity, and paid an annual salary out of the public moneys :

“ Regulations ” means regulations made under this Act :

“ Salary ” means the money annually appropriated by Parliament, whether in one or several sums, payable to an officer as remuneration for his services, not including fees or allowances :

“ This Act ” includes all regulations made thereunder.

Officers to retire at sixty years of age.

6. Every person appointed to the Civil Service under “ The Civil Service Reform Act, 1886 ” (herein referred to as “ the said Act ”), or hereafter appointed thereto, shall retire therefrom on his attaining the age of *sixty* years ; but the Governor in Council may nevertheless require any such officer who has attained such age to continue to perform his duties unless he shall be unfit to do so by reason of ill-health or other sufficient cause.

To provide for life assurance and annuity on retirement.

7. Every officer hereafter appointed to the Civil Service shall, on his appointment thereto, be required to effect a policy on his life, providing for the following combined benefits :—

(1.) The payment of a sum of money on the death of such officer should it occur before he attains the age of *sixty* years ; and,

(2.) The payment to such officer of an annuity until death should he survive the age of *sixty* years.

And every such policy shall be effected with the Government Insurance Commissioner appointed under “ The Government Insurance and Annuities Act, 1874,” and on such terms and conditions, precedent or otherwise, as may from time to time be made by regulations under this Act.

Nothing in this section contained shall prevent any such officer as aforesaid from paying such additional premiums as may be necessary to make the amount assured under subsection *one* of this section payable at death whenever it may happen.

Officers appointed under Act of 1886 to come under this Act.

8. Subject to the provisions of the *next following* section every officer who, before the commencement of this Act, has been appointed to the Civil Service under the said Act shall, within such period and subject to such conditions as shall be determined by regulations, be brought under the provisions of the *last-preceding* section, and shall

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be entitled to the benefit and advantage thereof accordingly, and the amount standing to his credit under the said Act shall be paid by the Public Trustee to the Government Insurance Commissioner, who shall apply the same for or towards an increase of the annuity provided by the policy effected on his life under section *seven*. In any such case the provisions of the said Act shall cease to be applicable to any such officer.

9. With respect to officers who have been appointed as last aforesaid, or who may hereafter be appointed to the Civil Service, and have attained a certain age, to be determined by the Governor in Council, which would render it inexpedient or impossible that they should effect policies providing for the combined insurance and annuity benefits as aforesaid, every such officer shall elect, within such period as may be determined by the Governor in Council, either to have the deductions provided for in section eleven of the said Act accumulated in the Public Trust Office, in which case the provisions of sections eleven and twelve of the said Act shall remain in full force with respect to such officer, or to have such deductions applied, together with the amount accumulated at his credit in the Public Trust Office, towards the payment of the premiums on a policy issued under the Acts and regulations in force relating to the Government Life Insurance Department.

Exception as to officers having already attained a certain age.

10. From the salary of every officer who shall effect a policy in accordance with the provisions of section *seven* there shall be deducted a sum of money according to the rate of his salary, as set forth in the Schedule appended to this Act; and every such deduction shall be paid into the Government Insurance Account and treated as the premium for such policy.

Monthly deduction from salary for securing the benefits.

Schedule.

11. No policy effected as aforesaid, or the moneys secured thereby, including bonuses, shall, during the time such person remains in the Civil Service, be assignable either at law or in equity, or be mortgaged or charged in any way wholly or in part, nor shall the same or any part thereof be attachable or liable to be taken in execution in any way.

Policy not to be assignable.

12. The Acts in force relating to the Government Life Insurance Department shall be deemed to authorise the Government Insurance Commissioner to enter into any contracts under those Acts that may be necessary to give effect to this Act, with such provisions, variations, and modifications as may be necessary for that purpose; and regulations and tables may from time to time be made, altered, or varied under those aforesaid Acts for all or any of the purposes hereinbefore mentioned.

Government Insurance Acts to be deemed to authorise the policy.

13. When, after the commencement of this Act, the services of any officer are dispensed with in consequence of the exercise of any of the powers aforesaid, compensation shall, subject, however, to the following provisions of this Act, be paid in accordance with the provisions hereinafter contained:—

Benefits on retirement.

(1.) If the officer was in the Civil Service prior to the passing of the said Act he shall be entitled to be paid such compensation as he would have been entitled to if this Act had not been passed.

(2.) If the officer has been appointed to the Civil Service under the said Act, and

(a.) Has elected, in terms of section *nine* of this Act, to have the deductions made as required by section eleven of the said Act, he shall, subject to the provisions of the said Act, be entitled to be repaid the amount standing to his credit under the said Act : 5

(b.) Has effected a policy on his life in terms of sections *seven, eight, or nine* of this Act, he shall, subject to regulations respecting surrender values, be entitled to be paid the surrender value of his policy effected under this Act, unless he shall elect to continue paying the premiums thereon. 10

Compensation for loss of office.

14. If any officer appointed under the said Act shall through no fault of his own become permanently incapacitated from further work, there shall be granted a sum equal to one month's salary for each year of service, the conditions of such permanent incapacity to be determined in accordance with regulations made under this Act. 15

Power of dismissal not affected.

15. Nothing in section *thirteen* shall be deemed to prevent the dismissal of any officer appointed under the said Act for misconduct, or on the commission of a crime which would justify such dismissal; but notwithstanding his dismissal every such officer shall on retirement be entitled to be paid the surrender value of his policy effected under this Act. 20

No compensation on dismissal of officers appointed before 1886.

16. If any officer appointed to the Civil Service prior to the passing of the said Act is dismissed therefrom for misconduct, he shall lose all right to compensation for loss of office; but the Minister may direct that the whole or any part thereof shall be paid to him, or to trustees for the benefit of his wife and children. 25

Provisions as to payment of moneys.

17. Subject to the foregoing provisions of this Act,— 30

(1.) The Public Trustee shall forthwith pay any officer on retirement from the Service, or in case of his death shall pay his personal representatives, the amount then standing to his credit in the Public Trust Office :

(2.) No assignment, charge, or other disposition made by any officer of moneys so standing to his credit in the Public Trust Office shall be valid or effectual in law or in equity; nor shall any such moneys be attachable or liable to be taken in execution by the process of any Court, or be available for distribution among the creditors of such officer in case of his bankruptcy : 35 40

(3.) The Government Insurance Commissioner shall forthwith pay any officer, on retirement from the Service, the surrender value of his policy (if any) effected under this Act :

(4.) The Colonial Treasurer shall issue and pay all sums required by this Act to be paid out of the Consolidated Fund without further appropriation by Parliament. 45

Police Force, school-teachers, printers, messengers, and others may be brought under Act.

18. The Governor from time to time, by Order in Council, may bring under this Act, upon a requisition signed by not less than two-thirds of the members of any such class or classes respectively, any or all the classes of persons hereunder mentioned, and may prescribe regulations for the adaptation of this Act, with such modifications or 50

limitations thereof as may be required for such adaptation to the circumstances of each class of such persons, or to the respective ages of the persons in any such class:—

- (1.) All members of the Police Force;
- 5 (2.) All school-teachers under "The Education Act, 1877;"
- (3.) All persons permanently employed in the Government Printing Office;
- (4.) All housekeepers, messengers, and gardeners in the permanent employment of the Government;
- 10 (5.) All warders of prisons, lunatic asylums, or sanatorium attendants, criers of Court, bailiffs, Post-office distributors, and telegraph-message boys, lighthouse-keepers, boatmen, labourers, and other persons in the permanent employment of the Government.

SCHEDULE.

Schedule.

DEDUCTIONS FOR POLICIES.

Salary per Annum.	Annual Deduction from Salary.
Under £150	£ s. d. 5 0 0
£150 and under £200	7 10 0
£200 " £250	10 0 0
£250 " £300	12 10 0
£300 " £350	15 0 0
£350 " £400	17 10 0
£400 " £450	20 0 0
£450 " £500	22 10 0
£500 " £550	25 0 0
£550 " £600	27 10 0
£600 " £650	30 0 0
£650 " £700	32 10 0
£700 " £750	35 0 0
£750 " £800	37 10 0
£800	40 0 0