

## NATIONAL PROVIDENT FUND AMENDMENT BILL.

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### EXPLANATORY MEMORANDUM.

CLAUSES 3 to 10 of this Bill make provision for the payment out of the National Provident Fund of retiring-allowances to nurses and other members of the permanent staff of Hospital Boards. The term "permanent staff" includes nurses, probationers, and officers of the clerical staff. Other persons permanently employed by a Hospital Board are given a right to elect to come within the scheme of the Act, but they are not compelled to do so. If, however, they make an election, the Hospital Board in whose service they are employed is obliged to admit them to the benefits of the scheme.

As the law already stands, Hospital Boards are competent to become contributors to the National Provident Fund on behalf of all or any of the members of their permanent staff. The object of the Bill (in so far as it relates especially to Hospital Boards) is merely to impose on Boards an obligation to do what they already have power to do. Clause 3 requires every Hospital Board to make application to the National Provident Fund Board, not later than 1st January, 1926, to be accepted as a contributor to the National Provident Fund on behalf of its permanent staff. If the Board makes application as required by clause 3, the provisions of the National Provident Fund Amendment Act, 1914, will then operate, and the procedure prescribed by that Act will apply. Clauses 4, 5, and 6 of the Bill will in that case have no operation, but are intended to apply only in cases where a Hospital Board refuses or fails to take advantage of the scheme provided by the Amendment Act of 1914. Clauses 11 to 21 of the Bill contain amendments of the National Provident Fund Acts of a general nature and have no special application to Hospital Boards.

*This PUBLIC BILL originated in the HOUSE OF REPRESENTATIVES, and, having this day passed as now printed, is transmitted to the LEGISLATIVE COUNCIL for its concurrence.*

*House of Representatives,  
1st September, 1925.*

*Hon. Sir R. H. Rhodes.*

## NATIONAL PROVIDENT FUND AMENDMENT.

### ANALYSIS.

Title.	<i>Miscellaneous Amendments.</i>
1. Short Title.	11. Extending power to make regulations as to administration of principal Act.
2. Interpretation.	12. Superintendent may remit fine payable in respect of late payment of contributions.
<i>Provision for Pensions on Retirement of Permanent Officers of Hospital Boards.</i>	13. Section 12 of principal Act amended.
3. Imposing obligation on Hospital Boards to contribute to National Provident Fund on behalf of permanent staff.	14. Section 16 of principal Act (relating to benefits payable to contributors during periods of incapacity) amended.
4. Provisions applicable in cases where Hospital Board fails to apply to be accepted as contributor to fund.	15. Payments under section 18 of principal Act in respect of birth of child intended primarily to provide medical attendance.
5. Provisions applicable where Hospital Board fails to adopt proposals submitted by National Provident Fund Board.	16. Section 19 of principal Act (relating to absence of contributors from New Zealand) modified.
6. Where a Hospital Board is deemed to be a contributor otherwise than by voluntary application, the terms to be as favourable as if application had been made under Amendment Act, 1914.	17. Interest to be charged on unpaid contributions due to fund from local authority.
7. Hospital Board to supply to Superintendent particulars as to changes in permanent staff, and in rates of salaries, &c.	18. Person retiring from service of contributory local authority may become a contributor on his own behalf, notwithstanding limitations of principal Act as to age or income.
8. If Board fails to make contribution, the amount may be deducted from subsidies.	19. Provisions applicable in cases where local authority terminates employment of officer before he becomes entitled to a pension.
9. Section 12 of Amendment Act, 1914, modified in its application to Hospital Boards.	20. Limitations of principal Act as to amount of pension not applicable in certain cases.
10. Consequential repeals of special provisions authorizing grant of pensions on retirement to servants of Hospital Boards.	21. Local authority may agree with Board that it will contribute on behalf of future employees.
	22. Limitation of right to receive payment out of National Provident Fund in respect of birth of child.

### 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:—

1. This Act may be cited as the National Provident Fund Amendment Act, 1925, and shall be read together with and deemed part of the National Provident Fund Act, 1910 (hereinafter referred to as the principal Act).

Short Title.

2. In this Act,—

“Fund” means the National Provident Fund established under the principal Act:

Interpretation.

“Hospital Board” means a Hospital Board constituted under the Hospitals and Charitable Institutions Act, 1909, and includes the Board of Trustees of the Mercury Bay Hospital :

“Permanent staff” of a hospital means all persons permanently employed in connection with a hospital as nurses or probationers, or in the performance of clerical duties, and includes any other person permanently employed by a Hospital Board if, in the case of a person so employed on the first day of April, nineteen hundred and twenty-six, he elects within six months after that date, by notice in writing addressed to the Hospital Board, to be regarded as a member of the permanent staff for the purposes of this Act; and, in the case of a person first permanently employed after the said first day of April, nineteen hundred and twenty-six, if he makes an election as aforesaid within six months after the date of his appointment :

“The Amendment Act, 1914,” means the National Provident Fund Amendment Act, 1914.

*Provision for Pensions on Retirement of Permanent Officers of Hospital Boards.*

Imposing obligation on Hospital Boards to contribute to National Provident Fund on behalf of permanent staff.

3. (1.) It shall be the duty of every Hospital Board existing on the first day of April, nineteen hundred and twenty-six, to make application in the manner provided by the Amendment Act, 1914, to become a contributor to the fund as from that date on behalf of the members of its permanent staff.

(2.) It shall be the duty of every Hospital Board that may be constituted after the said first day of April, nineteen hundred and twenty-six, to make application in like manner to become a contributor to the fund on behalf of the members of its permanent staff as from the date of its constitution.

(3.) Nothing in this section shall limit the authority of any Hospital Board, pursuant to the provisions in that behalf of the Amendment Act, 1914, voluntarily to become a contributor to the fund in respect of any other persons in its service in addition to the members of its permanent staff.

Provisions applicable in cases where Hospital Board fails to apply to be accepted as contributor to fund.

4. (1.) If any Hospital Board fails for three months after the passing of this Act to make application as provided in section three of the Amendment Act, 1914, with respect to the members of its permanent staff, the Superintendent may require the Secretary of the Hospital Board to furnish the particulars required to be contained in applications under that section, and if the requisition of the Superintendent is not complied with, within such time as may be limited in that behalf by the requisition, the Secretary shall be guilty of an offence, and shall be liable on summary conviction to a fine of fifty pounds.

(2.) The receipt of the particulars required as aforesaid shall be deemed for the purposes of the Amendment Act, 1914, to be the receipt of an application from the Hospital Board to become a contributor to the fund in respect of the persons to whom the particulars relate.

5. If a Hospital Board, having received from the Superintendent a notification under section five of the Amendment Act, 1914, to the effect that the National Provident Fund Board has decided to accept the Hospital Board as a contributor to the fund on behalf of the members of its permanent staff, on terms and conditions set out in that notification, fails for three months to pass a special resolution as required by section six of the said Act, determining to become a contributor to the fund in accordance with the terms of the notification, the National Provident Fund Board may itself pass a resolution declaring the Hospital Board to be a contributor to the fund on the terms and conditions specified in the notification, and thereupon the Hospital Board shall be deemed to be a contributor accordingly.

Provisions applicable where Hospital Board fails to adopt proposals submitted by National Provident Fund Board.

6. (1.) Where a Hospital Board becomes a contributor to the fund in respect of the members of its permanent staff by virtue of a resolution of the National Provident Fund Board, as hereinbefore provided, the terms and conditions fixed by the Board, including the tables of contributions required respectively from the Hospital Board and from the members of its permanent staff, shall be as favourable to the Hospital Board and to those members as if application had been made under section three of the Amendment Act, 1914, without recourse to the special provisions of this Act.

Where a Hospital Board is deemed to be a contributor otherwise than by voluntary application, the terms to be as favourable as if application had been made under Amendment Act, 1914.

(2.) For the purpose of fixing a standard of contributions and of benefits, or otherwise for determining any question that may arise in relation to this section, regard may be had to any agreements in force at the date of the passing of this Act, made between local authorities and the National Provident Fund Board pursuant to the Amendment Act, 1914.

7. (1.) Every Hospital Board shall from time to time as required furnish to the Superintendent particulars as to,—

Hospital Board to supply to Superintendent particulars as to changes in permanent staff, and in rates of salaries, &c.

- (a.) All persons who may be appointed to the permanent staff after the Hospital Board has become a contributor to the fund :
- (b.) Any increase or reduction in the salary or wages of any person on behalf of whom the Board is a contributor as aforesaid :
- (c.) The death or the retirement from office (whether by resignation or dismissal, or otherwise howsoever) of any person on whose behalf the Hospital Board is a contributor, or the transfer of any such person to the service of any other Hospital Board or of any other local authority :
- (d.) Such other particulars as the Superintendent may at any time require.

(2.) The Hospital Board shall, as from the date of appointment, become a contributor to the fund in respect of every person appointed to its permanent staff after the date when the Board first became a contributor to the fund in respect of the members of its permanent staff.

8. If any Hospital Board fails to make any contribution to the fund for which it is liable, or fails to deduct from the salary or wages of any person on whose behalf it is a contributor any contribution for which that person is personally liable, the total amount of such contributions may, at the request of the National Provident Fund Board, be deducted by the Minister of Finance from any subsidy payable to

If Board fails to make contribution the amount may be deducted from subsidies.

the Hospital Board, and all amounts so deducted may, without further appropriation than this section, be paid into the fund.

Section 12 of Amendment Act, 1914, modified in its application to Hospital Boards

9. The power conferred on a local authority by section twelve of the Amendment Act, 1914, to elect to reduce the amount of its contributions shall have no application in the case of Hospital Boards, save with the consent of the National Provident Fund Board. 5

Consequential repeals of special provisions authorizing grant of pensions on retirement to servants of Hospital Boards.

10. (1.) Section eleven of the Hospitals and Charitable Institutions Amendment Act, 1920 (No. 2), is hereby amended by repealing paragraph (b) thereof.

(2.) Section thirty-four of the Finance Act, 1922, is hereby repealed. 10

(3.) The repeals effected by this section shall not affect any pension heretofore granted pursuant to the said section eleven of the Hospitals and Charitable Institutions Amendment Act, 1920 (No. 2), or the said section thirty-four of the Finance Act, 1922, and every pension so granted may be continued to be paid as if the said sections remained in force. 15

#### Miscellaneous Amendments.

Extending power to make regulations as to administration of principal Act.

11. Section seven of the principal Act is hereby amended by adding to paragraph (h) the words "or through other approved agencies." 20

Superintendent may remit fine payable in respect of late payment of contributions.

12. Section ten of the principal Act is hereby amended by repealing the proviso to subsection four (as set out in section twenty-three of the Amendment Act, 1914), and substituting the following proviso:—

"Provided that the Superintendent in his discretion may remit any such fine in whole or in part." 25

Section 12 of principal Act amended.

13. Section twelve of the principal Act is hereby amended as follows:—

(a.) In respect of subsection four (relating to elections by contributors to contribute for an increased pension) by omitting the words "forty-five years," and substituting the words "fifty years": 30

(b.) In respect of subsection six (relating to the refund of a portion of a contributor's contributions in cases where the contributor has elected to contribute in respect of a reduced pension) by omitting the words "less any sums already received by him from the fund in respect of the benefits provided by this Act": 35

(c.) In respect of subsection seven, as set out in section twenty-four of the Amendment Act, 1914 (relating to joint pensions to husbands and wives, with right of survivorship)— 40

(i.) By inserting after the words "his wife" the words "at the date of election":

(ii.) By inserting after the words "for such amount," the words "and subject to such conditions":

(iii.) By adding to the subsection the following words: 45  
"The right of election conferred by this subsection on contributors under the age of fifty-five years may, in the discretion of the Board, be extended to any contributor at any time after he has attained the age of fifty-five years, and before he has attained the age of sixty years." 50

14. Section sixteen of the principal Act is hereby amended by omitting from subsection six the words "for five years at least," and substituting the words "for such period, not exceeding five years, as the Board may in any case determine."

Section 16 of principal Act (relating to benefits payable to contributors during periods of incapacity) amended.

15. Section eighteen of the principal Act is hereby amended by adding to subsection one the following proviso:—

Payments under section 18 of principal Act in respect of birth of child intended primarily to provide medical attendance.

10 "Provided that the Board may, if it thinks fit, refuse to make a payment under this section in any case where it is satisfied that by reason of negligence or other avoidable cause proper medical attendance was not provided for the mother of the child."

Section 19 of principal Act (relating to absence of contributors from New Zealand) modified.

15 16. Section nineteen of the principal Act as amended by section six of the National Provident Fund Amendment Act, 1919, is hereby further amended by inserting after the words "any territory outside New Zealand," in the proviso added by the last-mentioned section, the words "or as an officer or servant of any person resident in New Zealand, or of any company or other corporation incorporated in New Zealand."

Interest to be charged on unpaid contributions due to fund from local authority.

20 17. Section seven of the Amendment Act, 1914, is hereby amended by adding the following subsection:—

20 "(3.) The contributions payable by a local authority shall be payable monthly, and shall be due on the last day of the month for which they are payable. Interest at a rate not exceeding five per centum per annum may be charged as from the due date on any amounts unpaid after the expiration of fourteen days from that date."

25 18. The power conferred on the Board by the proviso to subsection one of section nine of the Amendment Act, 1914, to accept as a contributor to the fund any person on his ceasing to be in the service of a local authority that had been a contributor on his behalf may be exercised in respect of any such person notwithstanding that by reason of limitations as to age or income or otherwise he would not be qualified to become a contributor in accordance with the provisions of the principal Act.

Person retiring from service of contributory local authority may become a contributor on his own behalf, notwithstanding limitations of principal Act as to age or income.

30 19. (1.) If the services of any person in respect of whom a local authority is a contributor are dispensed with by the local authority for any cause other than misconduct at any time within five years of the date when he would be entitled, if he remained in the service of the local authority, to receive a pension from the fund, or at any time after he has applied for a benefit from the fund to which, in the opinion of the National Provident Fund Board, he is entitled on account of incapacity, the Board may, in its discretion, on the application of such person and subject to such terms and conditions as it thinks fit, accept him as a contributor to the fund, notwithstanding any limitations in the principal Act as to age or income or otherwise, and all contributions theretofore made by the local authority on his behalf shall continue to be held in the fund as if they were contributions made personally by the contributor.

Provisions applicable in cases where local authority terminates employment of officer before he becomes entitled to a pension.

45 (2.) The right of a local authority to receive any refund of contributions made by it in respect of any person shall be read subject to the special provisions of this section.

50 20. The limitations of the principal Act as to the amount of any pension that may be paid under that Act shall not apply in the case of persons accepted as contributors to the fund, pursuant to section nine of the Amendment Act, 1914, or pursuant to the last preceding section.

Limitations of principal Act as to amount of pension not applicable in certain cases.

Local authority may agree with Board that it will contribute on behalf of future employees.

21. Any local authority being a contributor to the fund pursuant to the Amendment Act, 1914, or this Act, may at any time agree with the Board that it will become a contributor to the fund in respect of all or any class or classes of persons who may thereafter be employed by that local authority, and every such agreement shall be binding on the local authority and on its successors in office. 5

Limitation of right to receive payment out of National Provident Fund in respect of birth of child.

22. Section seventy of the Finance Act, 1916, is hereby amended as follows :—

(a.) By omitting the words "is entitled to," and substituting the word "receives." 10

(b.) By omitting the words "under the said section sixty-eight."

(c.) By adding the following as subsection two thereof :—

"(2.) Any person entitled in respect of the birth of a child to a payment either under section eighteen of the principal Act or under section sixty-eight of this Act shall have a right of election as to the section pursuant to which such payment shall be made." 15