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Rt. Hon. R. J. Seddon.

POLICE PROVIDENT FUND (No. 2).

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A BILL INTITULED

AN ACT to establish a Provident Fund in connection with the Police Force. Title.

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 Police Provident Fund Act, 1899"; and it shall come into operation and be deemed to commence on the first day of November, one thousand eight hundred and Short Title.

2. In this Act, if not inconsistent with the context,—
"Board" means the Police Provident Fund Board under this Act: Interpretation.

"Commissioner" means the Commissioner of Police:

"Fund" means the Police Provident Fund under this Act:

"Medically unfit for further duty," in the case of a member, means that on the certificate of at least two medical practitioners approved by the Board it is established to the satisfaction of the Board that, by reason of mental or bodily infirmity not caused by irregular or intemperate habits, the member has become permanently unable to perform his duties any longer.

- “Member” means an officer or constable of the Police Force established under “The Police Force Act, 1886,” but does not include the Commissioner :
- “Minister” means the Minister of Justice :
- “Pay” of a member means the actual sum paid to him as salary or wages in respect of his service, but does not include allowances : 5
- “Service” means service in the Police Force as a member thereof : Provided that in the case of a member who has served in the Armed Constabulary Force or any provincial Police Force for any continuous period next preceding the commencement of his service as a member of the Police Force, such continuous period shall for all the purposes of this Act be included in computing the length of his service as a member of the Police Force. 10 15

THE FUND.

Police Provident Fund established.

3. There is hereby established in connection with the Police Force a Fund to be called “The Police Provident Fund.”

Moneys forming such Fund.

4. The Fund shall consist of—

- (1.) The moneys in the Police Reward Fund, under “The Police Force Act, 1886;” 20
- (2.) All fines and penalties and other moneys which under “The Police Force Act, 1886,” are directed to be paid into the Police Reward Fund ;
- (3.) Contributions from members as hereinafter provided ; 25
- (4.) All sums paid out of the Consolidated Fund as hereinafter provided ;
- (5.) All other moneys paid into the Fund as portion thereof, including all accumulations of interest on moneys belonging to the Fund. 30

Contributions of members thereto.

5. The contributions from members shall in the case of each member be at the following rate of percentage of all pay hereafter payable to him as a member, that is to say :—

- (1.) Five per centum, if his age is not more than thirty years at the time when the first contribution becomes payable ; 35
- (2.) Six and a half per centum, if his age is then more than thirty but not more than forty years ;
- (3.) Eight per centum, if his age is then more than forty but not more than fifty years ;
- (4.) Ten per centum, if his age is then more than fifty years. 40

Deductions payable direct into Fund.

6. The aforesaid percentages shall be deducted from the member’s pay as it becomes payable, and the amounts so deducted shall be forthwith paid into the Fund by the Government.

Police Reward Fund abolished, and moneys transferred.

7. (1.) The Police Reward Fund established under “The Police Force Act, 1886,” is hereby abolished, and the moneys now standing to the credit thereof shall be transferred to the Police Provident Fund. 45

(2.) All fines, penalties, and other moneys which, pursuant to the aforesaid Act, would be payable to the Police Reward Fund if that fund were not abolished, shall hereafter be paid into the Police Provident Fund. 50

8. All moneys belonging or payable to the Fund shall be paid to the Public Trustee to the credit of an account in the name of the Fund.

Moneys of Fund payable to Public Trustee.

9. The Fund shall be administered by a Board, to be called "The Police Provident Fund Board," and to consist of four members, to wit:—

Board to administer Fund.

The Minister;
The Public Trustee;
The Commissioner;
The Inspector of Police in Wellington.

10. With respect to the Board the following provisions shall apply:—

Meetings and procedure of Board.

- (1.) At all meetings of the Board the quorum shall be three.
- (2.) In the absence of the Minister any other Minister may attend in his stead.
- (3.) In the absence of the Public Trustee, the Deputy of the Public Trustee may attend in his stead.
- (4.) Subject to regulations under this Act, the Board may prescribe its own procedure.

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BENEFITS.

11. The Fund shall be held and applied for the benefit of members in the manner and subject to the conditions hereinafter set forth.

Application of Fund.

12. Every member who, with the consent or by the direction of the Minister, retires from the Police Force on the ground of being medically unfit for further duty shall on his retirement be entitled to receive from the Fund such of the following benefits as his length of service warrants, that is to say:—

Benefits to members unfit for duty on retirement.

- (1.) If his length of service is less than five years, a refund of the amount of his contributions to the Fund.
- (2.) If his length of service is less than fifteen but not less than five years, a sum computed at the rate of one month's pay for each full year's service: Provided that the total sum shall not exceed twelve months' pay.
- (3.) If his length of service is not less than fifteen years, an allowance for the rest of his life at the yearly rate of one-sixtieth of a year's pay for each year's service: Provided that the total yearly allowance shall not exceed thirty-six sixtieths of a year's pay.

13. Any member whose length of service is not less than twenty-five years, and whose age is not less than sixty years, may at any time thereafter retire from the Police Force at the expiration of three months' notice of intention so to do; and in such case he shall, on his retirement, be entitled to receive from the Fund an allowance for the rest of his life, at the yearly rate mentioned in subsection three of the last-preceding section hereof, but not exceeding the maximum amount therein limited.

Allowance to member retiring on account of age.

14. In the case of a member who becomes medically unfit for further duty owing to injuries received in the execution of his duty, and by reason thereof retires from the Police Force with the consent or by the direction of the Minister, then, if the Board is of opinion

Special allowance to member unfit for further duty.

that the benefit provided for under section *twelve* hereof is not sufficient, it may in lieu thereof grant him out of the Fund an allowance for the rest of his life at such yearly rate as in the special circumstances of the case the Board thinks just, not exceeding three-fifths of a year's pay.

Allowance to widow and children if death occur through execution of duty.

15. If a member dies whilst in the Police Force from injuries received in the execution of his duty, the Board may out of the Fund grant to or for the benefit of his widow (if any) an allowance at the rate of not more than eighteen pounds per year so long as she remains his widow, and to or for the benefit of his children (if any) a further allowance of not more than five shillings per week in the case of each child until the child attains the age of fourteen years.

Payment when death occurs through other causes.

16. If a member whilst in the Police Force dies from any cause other than injuries received in the execution of his duty, the Board may, out of the Fund, grant for the benefit of his widow and infant children (if any) such sum as it thinks fit, not exceeding the total amount of his contributions to the Fund.

Board may make grant to member on dismissal.

17. If a member is dismissed from the Police Force, or if his services are otherwise dispensed with for misconduct, the Board may, out of the Fund, grant him such sum as it thinks fit, not exceeding one-half the total amount of his contributions to the Fund.

Payment to member voluntarily resigning.

18. If a member whose length of service is not less than ten nor more than twenty-five years voluntarily resigns from the Police Force, and his resignation is accepted by the Minister, he shall, on his resignation, be entitled to receive from the Fund a sum equal to three-fourths of the total amount of his contributions to the Fund.

Special provisions as to life-allowances.

19. With respect to every life-allowance granted under the provisions in that behalf hereinbefore contained, the following special provisions shall apply :—

- (1.) The life-allowance shall be payable by equal monthly instalments, and the first instalment shall be payable one month after the date of the grantee's retirement.
- (2.) The grantee may, on his retirement, or at any time before receiving his first instalment, elect to accept in lieu of his life-allowance a sum equal to the total amount of his contributions to the Fund, and in such case he shall be entitled to receive that sum in lieu of the life-allowance.
- (3.) If, not having elected as aforesaid, he dies before the total amount paid to him in respect of life-allowance is equal to the total amount of his contributions to the Fund, the Board may, out of the Fund, apply for the benefit of his widow and infant children (if any) such sum as it thinks fit, not exceeding the difference between the aforesaid amounts.
- (4.) His life-allowance or any one or more instalments thereof may be forfeited by the Board in any of the following events, that is to say,—
 - (a.) If he is convicted of any crime or indictment; or,
 - (b.) If he knowingly becomes the associate of thieves, prostitutes, or other persons of bad repute; or

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(c.) In the case of a member whose life-allowance has been granted before he attained the age of sixty years on the grounds of his being medically unfit for further duty, if he fails or refuses to submit himself for further medical examination whenever required by the Minister so to do, or if, having so submitted himself and having been reported to be medically fit for further duty, he fails or refuses to return to duty whenever required by the Minister so to do.

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10 20. In the case of a member who by the direction or with the consent of the Minister returns to duty whilst in receipt of a life-allowance, the following special provisions shall apply as and from the date of such return :—

Rights of member returning to duty whilst receiving life-allowance.

15 (1.) His life-allowance shall cease, and all his rights and liabilities under this Act as a member shall revive.

(2.) The percentage of his pay to be deducted by way of contribution to the Fund shall be the same as at the time of his retirement.

20 (3.) For the purpose of computing the benefits to which he may become entitled, in so far as they depend upon the length of his service, the period of his service prior to such retirement shall be added to the period of his new service, but the period of such retirement shall be excluded.

25 21. In every case where, under the provisions in that behalf hereinbefore contained, any life-allowance or other money granted to a member on his retirement is computed on the basis of his pay, such pay shall be deemed to be the rate of pay he was receiving at the time of his retirement, unless within the previous five years he has

Mode of computing allowances.

30 served in any rank beneath that held by him at the time of his retirement, in which case such pay shall be deemed to be the average rate of pay received by him during the seven years next preceding his retirement.

35 22. In no case shall any life allowance or other money granted under this Act be in any way assigned, transferred, or alienated from the grantee, or be subject to "The Bankruptcy Act, 1892."

Allowances absolutely protected.

MISCELLANEOUS.

40 23. In the event of the Fund at any time being unable to meet the charges upon it, and as often as such event occurs, the following special provisions shall apply :—

Deficiency in Fund payable out of Consolidated Fund without further appropriation.

(1.) The Board shall forthwith report the fact to the Colonial Treasurer, setting forth the amount of the deficiency and the causes thereof.

45 (2.) The Colonial Treasurer, upon being satisfied that the deficiency exists, and that provision is necessary therefor, shall, without further appropriation than this Act, pay into the Police Provident Fund out of the Consolidated Fund a sum sufficient to meet the deficiency.

50 (3.) The Board's report, together with a statement by the Colonial Treasurer of his action thereon, shall by him be laid before Parliament within ten days after the receipt

of the report if Parliament is then sitting, or, if not, then within ten days after the commencement of the next ensuing session thereof.

Special provisions as to members whose lives are insured.

24. Notwithstanding anything hereinbefore contained to the contrary, it is hereby declared that any member who, at the commencement of this Act, has, pursuant to departmental rules, effected a policy of insurance on his life may at any time within three months after the commencement of this Act, by notice in writing to the Commissioner, elect to be exempted from the operation of this Act, and in such case he shall not be liable to contribute to the Fund and shall not be entitled to any of its benefits. 5 10

Provisions as to Fund and its accounts.

25. With respect to the Fund and its accounts the following provisions shall apply:—

- (1.) The Board shall cause full and faithful accounts to be kept of all moneys received and expended, and of all credits and liabilities. 15
- (2.) Within twenty-one days after the close of each financial year ending the thirty-first day of March the Board shall cause a balance-sheet for the year to be prepared, together with a statement of receipts and disbursements for the year. 20
- (3.) Such balance-sheet and statement shall be so prepared as to show fully and faithfully the financial position of the Fund.
- (4.) Within twenty-eight days after the close of each financial year the Board shall cause the balance-sheet and statement of accounts for the year to be submitted to the Audit Office for audit. 25
- (5.) The balance-sheet and statement of accounts, duly audited, shall, together with a report, be laid before Parliament by the Minister within ten days after the audit is completed, if Parliament is then sitting, or, if not, then within ten days after the commencement of the next ensuing session thereof. 30

Actuarial examination of Fund.

26. For the period ending on the thirty-first day of March, one thousand nine hundred and three, and for each triennial period thereafter, an actuarial examination of the Fund shall be made by an Actuary appointed by the Governor. 35

Actuary to make report.

27. The Actuary shall set forth the result of such examination in a report, which shall be so prepared as to show the state of the Fund at the close of the period and its expectant state at the close of the next ensuing triennial period, having regard to the prospective receipts and charges during such period. 40

Copies of report to be supplied to members.

28. The Board shall cause such report to be printed, and a copy thereof to be supplied to each member of the Police Force. 45

Reports to be laid before Parliament.

29. The Minister shall lay before Parliament a copy of such report within ten days after it is received by the Board if Parliament is then sitting, or, if not, then within ten days after the commencement of the next ensuing session thereof.

Benefits granted subject to any amending Act.

30. The rights and benefits provided for by this Act, whether the same have or have not been actually acquired, shall be subject to all such modifications as may be provided by any Act hereafter passed in amendment or repeal of this Act: 50

Provided that nothing in this section shall affect any payments actually made to any member or other person under this Act prior to the passing of such amending or repealing Act.

5 31. The Governor may from time to time, by Order in Council Regulations.
gazetted, make such regulations as he thinks necessary for any of the following purposes :—

- (1.) Prescribing the powers, functions, and procedure of the Board.
- 10 (2.) Prescribing the securities in which the moneys in the Fund may be invested.
- (3.) Prescribing the mode in which the contributions of members shall be deducted from their pay or emolument.
- (4.) Generally prescribing whatever else he thinks necessary in order to give full effect to this Act.