

THE PARLIAMENTARY SUPERANNUATION DETERMINATION 1978

PURSUANT to sections 12 (1) (b) and 17 of the Higher Salaries Commission Act 1977, the Higher Salaries Commission hereby makes the following determination.

DETERMINATION

1. Title and commencement—(1) This determination may be cited as the Parliamentary Superannuation Determination 1978.

(2) This determination shall come into force on the day after the date of its notification in the *Gazette*.

2. Contributions by members—Section 83 of the Government Superannuation Fund Act 1956 is hereby modified by inserting, after subsection (1), the following subsection:

“(1A) Notwithstanding the provisions of subsection (1) of this section where the service of any person as a member exceeds 22 years, the superannuation contribution deducted from that member’s salary shall, in respect of service as a member in excess of 22 years, be at a rate equal to 8 percent of an ordinary member’s salary instead of at the rate specified in subsection (1) of this section.”

3. Election to contribute in respect of notional service—Part VI of the Government Superannuation Fund Act 1956 is hereby modified by inserting, after section 83A (as substituted by section 8 (1) of the Government Superannuation Fund Amendment Act 1961 and amended by section 7 (4) of the Government Superannuation Fund Amendment Act 1970), the following section:

“83B. (1) Where any person was first elected as a member at a by-election that was held (whether before or after the commencement of this section but not earlier than the 30th day of November 1975) in the period which began with the day after the polling day appointed for the general election that immediately preceded that by-election and which ended with the 30th day of June in the second calendar year following the year in which that polling day occurred, that person may elect, for the purposes of this Part of this Act, to have his period of service computed as if that person had been elected a member at that general election.

“(2) Every election made under subsection (1) of this section shall be made not later than 3 months after the polling day appointed for the general election immediately following the by-election at which the person was elected.

“(3) Every election made under subsection (1) of this section shall be made in writing delivered to the Superintendent.

“(4) Where a person makes an election under subsection (1) of this section, that person shall pay into the Parliamentary Superannuation Account an amount equal to the superannuation contribution that would have been deducted under section 83 (1) of this Act if—

“(a) That person had been elected a member at the general election mentioned in subsection (1) of this section; and

“(b) That person had been receiving, from the polling day appointed for that general election until the day on which that person’s salary commenced to be payable consequent on his election as a member at the by-election, a salary at a rate equal to that payable to an ordinary member as at the date on which the election is made by that person under subsection (1) of this section.

“(5) Where any amount payable pursuant to subsection (4) of this section is not paid within 6 months after the polling day appointed for the general election next following the by-election at which the person was elected, that amount or so much of it as is for the time being unpaid shall thereafter bear interest at the rate for the time being determined by the Board for the purposes of the proviso to section 23A (6) of this Act.

“(6) Every election made under subsection (1) of this section shall have effect according to its tenor.”

4. Retiring allowance of members—Section 84 of the Government Superannuation Fund Act 1956 is hereby modified by inserting, after subsection (3), the following subsection:

“(3A) Notwithstanding the proviso to subsection (3) of this section, where any person, after having served as a member for more than 22 years, ceases to be a member at any time after the commencement of this subsection, that person’s annual retiring allowance shall comprise, in addition to the maximum amount permitted by the proviso to subsection (3) of this section, one one hundred-and-twenty-eighth part of an ordinary member’s salary at the date when that person last ceased to be a member for each year, served after the 30th day of November 1975, by which that person’s service as a member exceeded 22 years.”

Dated at Wellington this 8th day of December 1978.

R. S. V. SIMPSON, Chairman.

E. A. MISSEN, Member.

W. L. BIRNIE, Member.

EXPLANATORY NOTE

This note is not part of the determination, but is intended to indicate its general effect.

This determination modifies certain of the provisions of the Government Superannuation Fund Act 1956 relating to Parliamentary Superannuation.

Clause 2: Where a member has served for more than 22 years, his rate of contribution is reduced from 11 percent to 8 percent of an ordinary member's salary.

Clause 3 enables a person who is first elected as a member of Parliament at a by-election held before the 1st day of July in the second calendar year following a general election to buy back the time for which that person would have served if that person had been elected at that general election. The person's additional contributions will be based on the salary payable to an ordinary member at the time of the election to buy the notional service. The election to buy back must be made not later than 3 months after the polling day for the general election immediately succeeding the by-election.

Clause 4: The maximum annual retiring allowance at present payable is two-thirds of an ordinary member's salary at the date when the member last ceased to be a member. This clause increases that maximum where a member has served for more than 22 years. Such a member may now receive, in addition to the two-thirds, one one hundred-and-twenty-eighth part of that salary for each year, served after the 30th day of November 1975, by which the member's service exceeded 22 years.

Issued under the authority of the Regulations Act 1936 and section 17 (3) of the Higher Salaries Commission Act 1977.

Date of notification in *Gazette*: 14 December 1978.