



**THE PARLIAMENTARY SUPERANNUATION DETERMINATION
(NO. 2) 1984**

PURSUANT to sections 12 (1) (b) and 17 of the Higher Salaries Commission Act 1977, the Higher Salaries Commission, after consulting the Government Actuary and the Superintendent of the Government Superannuation Fund, hereby makes the following determination.

DETERMINATION

1. Title and commencement—(1) This determination may be cited as the Parliamentary Superannuation Determination (No. 2) 1984.

(2) This determination shall come into force on the 9th day of July 1984.

2. Elections to receive refunds, etc.—The Government Superannuation Fund Act 1956 is hereby modified by repealing section 85 (as substituted by section 31 (1) of the Government Superannuation Fund Amendment Act 1976), and substituting the following section:

“85. (1) Where any person has ceased to be a member after having served as a member for less than 8 years, that person may at any time elect to receive, without interest,—

“(a) Twice the total amount of that person’s contributions under this Part of this Act; and

“(b) If that person was a member of the 37th Parliament of New Zealand, an amount in respect of employer’s contributions equal to the minimum amount that would have been required in respect of employer’s contributions if a transfer value had been determined in accordance with regulation 26 of the New Zealand Superannuation Regulations 1974 for the period commencing on the 1st day of April 1975 and ending with the 31st day of December 1975.

“(2) Where any person has ceased to be a member after having served as a member for not less than 8 years, that person may, at any time before accepting the first instalment of a retiring allowance under this Part of this Act, elect to receive, without interest,—

“(a) The total amount of that person’s contributions under this Part of this Act; and

“(b) If that person was a member of the 37th Parliament of New Zealand, an amount in respect of employer’s contributions equal to the minimum amount that would have been required in respect of employer’s contributions if a transfer value had been determined

in accordance with regulation 26 of the New Zealand Superannuation Regulations 1974 for the period commencing on the 1st day of April 1975 and ending with the 31st day of December 1975.

“(3) Where any person who has received a payment pursuant to an election made by that person under subsection (1) or subsection (2) of this section subsequently becomes a member, the period of that person’s service as a member for the purposes of this Part of this Act shall be deemed to include the period in respect of which contributions have been paid, subject to the condition that that person pay into the Parliamentary Superannuation Account, within such time and in such manner as the Minister of Finance may allow in that behalf, the amount of the payment so received.

“(4) Subsections (1) to (3) of this section shall not apply where a contributor elects, in accordance with section 61 of this Act, to contribute to the Government Superannuation Fund in respect of the period during which the contributor was a member, in which case there shall be refunded to the contributor, without interest, the total amount of the contributor’s contributions under this Part of this Act.

“(5) Except as provided in subsection (3) of this section, no person who, in accordance with this section,—

“(a) Receives a payment pursuant to an election made under subsection (1) or subsection (2) of this section; or

“(b) Receives a refund under subsection (4) of this section,—
shall be entitled to any other benefit under this Part of this Act.”

3. Annual adjustments—(1) The Government Superannuation Fund Act 1956 is hereby modified by repealing section 87A (as inserted by clause 4 of the Parliamentary Superannuation Determination 1981*), and substituting the following section:

“87A. (1) Notwithstanding anything in section 7 of or the Third Schedule to the Government Superannuation Fund Amendment Act 1969, the date of qualification of any person who is entitled to receive a retiring allowance under section 84 of this Act shall, for the purposes of section 7 (2) of the Government Superannuation Fund Amendment Act 1969, be the day immediately preceding the date on which the first instalment of the retiring allowance is payable.

“(2) Nothing in this section shall apply in respect of any period before the 9th day of July 1984.”

(2) The Parliamentary Superannuation Determination 1981* is hereby consequentially amended by revoking clause 4.

4. Election to surrender proportion of retiring allowance or annuity and receive cash payment—The Government Superannuation Fund Act 1956 is hereby modified by inserting, after section 87A (as inserted by clause 3 of this determination), the following section:

“87B. In the case of a person who is entitled to receive a retiring allowance or annuity under this Part of this Act, sections 91 and 91A of this Act shall apply with the modification that, notwithstanding anything in sections 91

(1) and 91A (2), the sum that the person shall be entitled to receive shall be a sum equal to 10 times the amount by which the person's annual retiring allowance or annuity is reduced pursuant to the surrender."

Dated at Wellington this 5th day of July 1984.

R. S. V. SIMPSON, Chairman.

W. L. BIRNIE, Member.

EXPLANATORY NOTE

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

This determination, which comes into force on 9 July 1984, modifies certain provisions of the Government Superannuation Fund Act 1956 which relates to Parliamentary superannuation.

Clause 2 changes the entitlement of members who cease to be members after less than 8 years' service.

Under section 85 of the Government Superannuation Fund Act 1956 (as enacted in 1976) such a member may elect to receive a refund, without interest, of the total amount of the member's contributions.

Under section 85 of the Government Superannuation Fund Act 1956 (as substituted by this clause), such a member may elect to receive, without interest, twice the total amount of the member's contributions.

Clause 3 relates to cost of living adjustments. Under section 87A of the Government Superannuation Fund Act 1956 (as inserted in 1981) the earliest date on which a person who is in receipt of a retiring allowance under the provisions relating to Parliamentary superannuation may qualify for cost of living adjustments of that retiring allowance is the date on which that person attains the age of 55 years. Until the beneficiary attains 60 years of age, the adjustments are at half the rate that the beneficiary would receive if the beneficiary had attained the age of 60 years.

Under section 87A of the Government Superannuation Fund Act 1956 (as substituted by this clause) the person will qualify for those adjustments from the time the retiring allowance becomes payable. The earliest age at which a retiring allowance becomes payable is when the contributor attains the age of 50 years. The adjustments are to be the full adjustments that would be payable if the beneficiary had attained the age of 60 years.

Clause 4 increases the amount that a person entitled to a retiring allowance or annuity under the provisions relating to Parliamentary superannuation may capitalise. At present, such a person is entitled under section 91 or section 91A of the Government Superannuation Fund Act 1956 to surrender up to one quarter of the person's entitlement to a retiring allowance or annuity and receive a lump sum equal to 9 times the amount surrendered. Under the new section 87B (as inserted by this clause) the lump sum is increased to 10 times the amount surrendered.

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*: 9 July 1984.