

AS TABLED IN THE HOUSE OF ASSEMBLY

A BILL

entitled

PUBLIC SERVICE SUPERANNUATION AMENDMENT ACT 2013

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WHEREAS it is expedient to amend the Public Service Superannuation Act 1981, to validate the employment of teachers who were permitted to continue in the public service beyond the end of the school term during which they attained the age of sixty-five years, and to validate certain pension payments;

Be it enacted by The Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:

Citation

1 This Act, which amends the Public Service Superannuation Act 1981 ("the principal Act"), may be cited as the Public Service Superannuation Amendment Act 2013.

Amends section 22

2 Section 22 of the principal Act is amended by, immediately after subsection (1), inserting—

“(1A) A contributor being a teacher, shall retire from the public service at the end of the school year during which he attains the age of sixty-five years:

Provided that having regard to the conditions of the public service, the usefulness of such teacher thereto, and all other circumstances of the case, it is desirable in the public interest that the service of any such teacher should be retained, he may be permitted by the Head of the Civil Service to continue in the

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public service for one or more further school years (provided that such permission is granted for no more than one school year at a time) until no later than the end of the school year during which the teacher attains the age of seventy years.”.

Amends section 24

3 Section 24 of the principal Act is amended by, immediately after subsection (3), inserting—

“(4) Where a contributor being a teacher continues as such in the public service after attaining the age of sixty-five years, payment of any pension to which he may be entitled at that age may, if he so elects, be deferred until he ceases to be employed in the public service.

(5) A teacher shall exercise his election under subsection (4) by delivering to the Accountant General a direction, in such form as the Accountant General may determine, before the expiry of 30 days after he attains the age of sixty-five years.”.

Amends section 32

4 Section 32 of the principal Act is amended by, immediately after subsection (2), inserting—

“(3) Where a teacher does not exercise an election under section 24(5) to defer his pension until he ceases to be employed in the public service, his pension shall begin to accrue to him on the day following the day he attains the age of sixty-five years, and shall be paid to him in arrears in monthly instalments.”.

Repeals section 44

5 Section 44 of the principal Act is repealed.

Amends Schedule 1

6 Schedule 1 to the principal Act is amended—

(a) in paragraph 1 by—

(i) deleting “15” and substituting “13”; and

(ii) deleting “7”, wherever it appears and, in each case, substituting “6”; and

(b) in paragraph 7(6), by deleting “eight” and substituting “seven”.

Validation of permission to continue in public service, etc.

7 (1) In respect of any teacher who, on the commencement date, has attained the age of sixty-five years and who (before the commencement date) has been permitted by the Head of the Civil Service to continue to be employed as a teacher in the public service beyond the end of the school term during which he attained that age—

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- (a) he shall be deemed to have been validly so permitted and, for the avoidance of doubt, where on the commencement date he remains employed as such, section 22(1A) of the principal Act (as inserted by section 2 of this Act) shall apply to him; and
 - (b) pension payments to him shall be deemed to have been validly made as if the amendments to the principal Act made by sections 3, 4 and 5 of this Act had come into operation immediately after the coming into operation of the Public Service Superannuation Amendment Act 2007.
- (2) In subsection (1), “the commencement date” means the date that this Act comes into operation.

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EXPLANATORY MEMORANDUM

This Bill would amend the Public Service Superannuation Act 1981 (“the principal Act”) to allow teachers, in certain circumstances and with the permission of the Head of the Civil Service, to continue in the public service after the end of the school term in which they attain the age of sixty-five.

Clause 1 is self-explanatory.

Clause 2 amends section 22 of the principal Act by inserting subsection (1A) which provides for teachers to retire from the public service at the end of the school year during which they attain the age of sixty-five. In certain circumstances, with the permission of the Head of the Civil Service, a teacher would be allowed to continue in the public service for a period of one or more further school years. The permission would be granted for a period of no more than one school year at a time, until no later than the end of the school year during which the teacher attains the age of seventy.

Clause 3 amends section 24 of the principal Act by inserting subsections (4) and (5). Subsection (4) provides that a teacher may elect to defer the payment of his pension until he ceases to be employed in the public service. Subsection (5) provides that he must exercise such election before the expiry of 30 days after he attains the age of sixty-five.

Clause 4 amends section 32 of the principal Act by inserting subsection (3) which provides that, where a teacher does not exercise an election to defer his pension under the newly inserted section 24(5), his pension begins to accrue to him on the day following the day he attains the age of sixty-five and is to be paid to him in arrears in monthly instalments.

Clause 5 repeals section 44 of the principal Act which requires teachers to retire at the end of the school term during which they attain the age of sixty-five.

Clause 6 amends Schedule 1 to the principal Act. It decreases the membership of the Public Service Superannuation Board from 15 to 13, and the quorum from 8 to 7 members.

Clause 7 provides for the validation of the employment in the public service of those teachers who, before the coming into operation of this Bill, have been permitted to continue in the public service after the end of the term during which they attained the age of sixty-five. The clause also validates the payment of pensions, from the age of sixty-five, to those who have been permitted to continue to be employed as teachers in the public service after attaining that age.