

**PENSIONS (INCREASE) ACT****Principal Act**

<b>Act. No. 1973-30</b>	<i>Commencement</i>	1.7.1972
	<i>Assent</i>	15 .11. 1973

Amending enactments	Relevant current provisions	Commencement date
Acts. 1974-04	ss. 3(2)(3) and 11	
1974/140	s.3(2) (corrigendum)	
1978-11	s 3(2)	
1989-35	s. 3(2)(e)	21.12.1989
2003-04	s. 6(2A)	7.5.2003
2007-17	s. 3(2), (3), (6), (7) & (8)	14.6.2007

## English source

Pensions (Increase) Act 1971 (1971 c.56)

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**Short title.**

1. This Act may be cited as the Pensions Increase Act.

**Interpretation.**

2. In this Act, unless the context otherwise requires,

“adjusted rate”, in relation to a pension, means the basic rate thereof plus any increase thereto granted under the authority of the Pensions (Increase) Act 1961;

“authorised increase” means an increase of pension authorised by this Act;

“basic rate”, in relation to a pension, means the yearly amount thereof payable under any of the Acts specified in Schedule 1;

“pension” means the yearly amount of any pension or other benefit payable by way of periodical payment under any of the Acts specified in Schedule 1 but does not include any gratuity or any sum payable otherwise than by way of periodical payments, and, where part of a pension has been commuted, means the yearly amount of the pension after the commutation.

**Qualifying conditions.**

3. (1) A pension shall not be increased under this Act unless one of the conditions laid down by this section is satisfied.

(2) A pension payable in respect of the pensioner’s own services shall not be increased unless the pensioner—

- (a) retired before the 1st November, 1973, or having retired on or after that date, has attained the age of 60 years; or
- (b) has retired on account of physical or mental infirmity from the office or employment in respect of which, or on retirement from which, the pension is payable; or
- (c) is a woman who has at least one dependant; or
- (d) has retired before the age of sixty years by reason of a statutory requirement to retire at a lesser age or, if he retired before attaining such lesser age, has attained such lesser age,

or the Government is satisfied that the pensioner is disabled by physical or mental infirmity.

- (e) has been retired on abolition of office.

(3) A pension payable in respect of the services of any person other than the pensioner, not being the pensioner's deceased husband, shall not be increased unless the pensioner

- (a) has attained the age of sixty years; or
- (b) has not attained the age of seventeen years; or
- (c) is receiving full-time instruction at an educational establishment; or
- (d) is undergoing training for a trade, profession or vocation in such circumstances that he is required to devote the whole of his time to that training for a period of not less than two years; or
- (e) is a woman who has at least one dependant,

or the Government is satisfied that the pensioner is disabled by physical or mental infirmity.

(4) *Repealed.*

(5) For the purposes of this section, a pensioner shall be deemed to be disabled by physical or mental infirmity if he is permanently incapacitated by such infirmity from engaging in any regular fulltime employment.

(6) Subject to subsection (7), "dependant" in this section means, in relation to a pensioner, a person who the Government is satisfied is wholly or mainly supported by the pensioner and who either has not attained the age of sixteen years or is receiving full-time instruction at an educational establishment or is undergoing training as mentioned in subsection (3)(d).

(7) Where a pension payable to a woman at 31st August, 1971, is then payable at a rate under the Pensions (Increase) Act 1961 by reason only that she is, and has since 1st January, 1960, been, wholly or mainly supporting another person, being either—

- (a) her, or her deceased husband's, father, mother, brother, sister, child, uncle or aunt; or
- (b) the child of any such person as is mentioned in paragraph (a); or

- (c) her step-father or step-mother; or
- (d) a person undergoing training for any trade, profession or vocation,

then so long as the Government is satisfied that she continues wholly or mainly to support that person and, if this subsection applies only by virtue of paragraph (d), that person continues to undergo training for a trade, profession or vocation, that person shall be deemed for purposes of this section to be the woman's dependant.

In this subsection "child" includes a step-child and an illegitimate child, and includes also a child adopted in pursuance of an order made by any court in Gibraltar or adopted in accordance with the law of the place where the adopter was domiciled at the time of the adoption.

(8) The Government may by order provide for reducing (or further reducing) the age sixty in subsection (2)(a) or (3)(a), or in both, to any age not less than fifty-five, and the section shall have effect subject to any such order for the time being in force.

(9) Where under any written law it is prescribed that the age for the compulsory retirement of an officer is fifty-five years then that age shall in respect of an officer so retired under such written law be substituted for the age of sixty years in subsection (2)(a) and (3)(a).

**Primary increases.**

4. (1) Subject to the provisions of this Act where an officer has been granted, in respect of his services under the Government, a pension which first became payable before the 1st January, 1971, such pension may be increased by the amount necessary to bring such pension up to the 1970 standard, that is to say, the amount arrived at by applying to the basic rate of pension the multiplier shown in Schedule 2 as applying to the year in which the pension first became payable:

Provided that where in the case of a pension which first became payable before the 1st January, 1971, the 1970 standard is less than the adjusted rate of pension on the 31st December, 1970, then such adjusted rate of pension shall be regarded as the 1970 standard.

(2) For the purpose of this section "year" shall mean a period commencing on the 1st July in any year and finishing on the 30th June next following.

**Secondary increases.**

5. (1) In the case of a pension which first became payable before the 1st January, 1971, the 1970 standard rate may be increased by the percentage shown in Schedule 3 as applying to the period during which such pension first became payable.

(2) In the case of a pension which first became payable after the 31st December, 1970, the basic rate at which the pension first became payable may be increased by the percentage shown in Schedule 3 as applying to the period during which the pension first became payable.

(3) Where by virtue of section 8F, 8G or 8H of the Pensions (Increase) Act 1961 the adjusted rate of pension is higher than that produced by the relevant percentage increase in Schedule 3, the higher rate of pension shall be substituted for the rate of pension payable under this section.

**Future increases.**

6. (1) Subject to the provisions of this section, as soon as may be after the 31st March, 1974, the rates of pensions shall be reviewed against any rise there may have been in the cost of living during the period from 1st July, 1972, to 1st July, 1973, and pensions may be increased with effect from 1st July, 1973, in the proportion (to the nearest one-tenth of one per cent) in which the cost of living has risen during that period.

(2) As soon as may be after the 1st October, 1974, and after such day in each succeeding year, rates of pensions shall be reviewed against any rise there may have been in the cost of living during the period from the time that the pensions were last increased to the 1st of July in the year the review takes place and if it is found that during such period the cost of living has arisen by two per cent or more, pensions may be increased, with effect from the 1st July in such year, in the proportion (to the nearest one-tenth of one per cent) in which the cost of living has risen during that period.

(2A) On the review date of 1<sup>st</sup> July 2002 and on each annual review date thereafter, the increase in pensions shall not be less than two per cent.

(3) The increases in the rate of pension allowed under subsection (1) shall be calculated by reference to the basic rate of pension as authorized to be increased by sections 4 and 5.

(4) For the purpose of this section whether there has or has not been a rise in the cost of living shall be determined solely by reference to the index of retail prices as shown in the index produced by the Government.

**Maximum pension.**

7. The amount of any increase awarded in accordance with the provisions of this Act shall not be taken into account for the provisions of any Act

relating to pensions which limits the amount of pension to a proportion of an officer's highest pensionable emolument.

8. Any sums paid to a pensioner in respect of the period beginning on the 1st July, 1972, by way of increases to pensions by virtue of section 8F, 8G or 8H of the Pensions Increase Act, 1961, shall be deemed to have been made' on account, and as an advancement, of the increases provided for under this Act.

### **Increase of pension under Pensions (Widows and Orphans) Act 1961-14.**

9. For the purpose of determining whether a pension payable under the Pensions (Widows and Orphans) Act may be increased under the provisions of this Act, such pension shall be deemed to have begun on the day next following the contributor's death or retirement from service, whichever date is the earlier:

Provided that, where contributions cease to be paid in the circumstances set out in section 11(4) of that Act, any pension payable to the dependant of such a contributor shall be deemed to have begun on the day next following the date of his transfer to other public service.

### **Increase of pension under the Pensions (School Teachers) (Special Provisions) Act 1960-05.**

10. A person to whom a pension is payable under the provisions of the Third Schedule to the Pensions (School Teachers) (Special Provisions) Act shall, for the purpose of determining whether such pension may be increased under the provisions of this Act, be deemed to have retired from service under the Government on the 1st day of May, 1959.

11. Where a pension first becomes payable after the 30th day of June, 1972, and the personal emoluments on which such pension is calculated include the cost of living allowance payable at the time the pension first becomes payable, then for the purposes of arriving at the first increase which may become payable under this Act under a review which covers the period between the last increase immediately before and the increase next after the pension first becomes payable such pension shall be deemed to be reduced pay the amount representing the part of the pension payable by reason of any cost of living allowance which may have been granted between the 1st July from which the last increase to pensions may have been awarded under this Act immediately prior to the date of the officer's retirement and the date of his retirement, and any payment made without taking such reduction into account shall be deemed to be on account and as an advancement of any increase which may have been, or may be, granted under the provisions of this Act.

12. *Revoked.*

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**SCHEDULE 1.**

Section 2.

1. The Pensions Act (Act. 1961 No. 13)
2. The Pensions Act (Act. 1932 No. 5)
3. The Pensions (Hospital (Nursing Staff) Act (Act. 1928 No. 9)
4. The Pensions (School Teachers) (Special Provisions) Act (Act. 1960 No. 5)
5. The Civil Police Act, 1884. (Act. 1884 No. 5)
6. The Pensions Act, 1906. (Act. 1906 No. 4)
7. The Pensions Act, 1927. (Act. 1927 No. 2)
8. The Pensions (Widows and Orphans) Act (Act. 1961 No. 14)
9. The Widows and Orphans Pensions (Special Provisions) Act, 1971 (Act. 1971 No. 11)

**SCHEDULE 2.**

## Section 3.

Table for conversion of Basic Rate to 1970 Standard.

Year	Multiplier
beginning up to and including 1 st July 1945	2.808
beginning 1st July 1946	2.348
1947	2.197
1948	2.148
1949	2.080
1950	2.011
1951	1.828
1952	1.818
1953	1.808
1954	1.794
1955	1.724
1956	1.670
1957	1.615
1958	1.576
1959	1.556
1960	1.518
1961	1.508
1962	1.473
1963	1.392
1964	1.350
1965	1.311
1966	1.259
1967	1.225
1968	1.141
1969	1.084
1970	1.000

**SCHEDULE 3.**

Section 4.

Pensions commencing:

before	1st July, 1970	22.03%
between	1st July and 30th September, 1970	20.44%
	1st October and 31st December, 1970	18.61 %
	1st January and 31st March, 1971	13.12%
	1st April and 30th June, 1971	11.58%
	1st July and 30th September, 1971	10.28%
	1st October and 31st December, 1971	6.83%
	1st January and 31st March, 1972	4.20%
	1st April and 30th June, 1972	2.52%

