

**THIRD SUPPLEMENT TO THE GIBRALTAR
GAZETTE**

No. 3,659 of 5th June, 2008

B. 09/08

BILL

FOR

AN ACT to establish a replacement fund to the Short Term Benefits Fund, Open Long-Term Benefits Fund, Closed Long-Term Benefits Fund, Employment Injuries Insurance Fund, Insolvency Fund and for connected purposes.

ENACTED by the Legislature of Gibraltar.

Title and commencement.

1. This Act may be cited as the Public Finance (Statutory Benefits Fund) Act 2008 and shall be deemed to have come into operation on 1 July 2008.

Interpretation.

2.(1) In this Act and unless the context otherwise requires “Existing Funds” means the following funds—

- (a) the “Closed Long-Term Benefits Fund” established under section 3 of the Social Security (Closed Long-Term Benefits and Scheme) Act 1996;
- (b) the “Employment Injuries Insurance Fund,” established under section 51 of the Social Security (Employment Injuries Insurance) Act;
- (c) the “Insolvency Fund” established under the Gibraltar Development Corporation (Employer’s Insolvency Fund) Rules, 1991;

- (d) the “Open Long-Term Benefits Fund” established under section 10 of the Social Security (Open Long-Term Benefits Scheme) Act 1996;
- (e) the “Short-Term Benefits Fund” established under section 29 of the Social Security (Insurance) Act.

(2) Nothing in any of the following—

- (a) the Social Security (Closed Long-Term Benefits and Scheme) Act 1996;
- (b) the Social Security (Employment Injuries Insurance) Act;
- (c) the Gibraltar Development Corporation (Employer’s Insolvency) Regulations, 1991;
- (d) the Social Security (Open Long-Term Benefits Scheme) Act 1996; and
- (e) the Social Security (Insurance) Act,

shall prejudice the operation of this Act.

(3) In this Act, “Minister” means the Minister with responsibility for public finance.

Statutory Benefits Fund.

3.(1) There shall be established a fund called the Statutory Benefits Fund for the purpose of paying benefits in accordance with the following Acts and Regulations to persons who are entitled thereunder—

- (a) the Social Security (Closed Long-Term Benefits and Scheme) Act 1996;
- (b) the Social Security (Employment Injuries Insurance) Act;
- (c) the Gibraltar Development Corporation (Employer’s Insolvency) Regulations, 1991;

(d) the Social Security (Open Long-Term Benefits Scheme) Act 1996; and

(e) the Social Security (Insurance) Act,

and whose entitlement to benefit derives from contributions paid or credited under the Existing Funds prior to the coming into force of this Act or the Statutory Benefits Fund.

(2) Accounts of the Statutory Benefits Fund shall be prepared in such form, in such manner and at such times as the Financial Secretary may direct and the Principal Auditor shall examine and certify every such account.

(3) Any moneys forming part of the Statutory Benefits Fund may from time to time be invested, in accordance with such directions as may be given by the Financial Secretary, and any interest received from such investments shall be credited to the Fund.

(4) The Statutory Benefits Fund shall be a special fund for the purposes of Part III of the Public Finance (Control and Audit) Act.

Contributions.

4.(1) There shall be credited to the Statutory Benefits Fund and not to the Existing Funds—

(a) contributions payable under the following—

(i) the Social Security (Closed Long-Term Benefits and Scheme) Act 1996;

(ii) the Social Security (Employment Injuries Insurance) Act;

(iii) the Gibraltar Development Corporation (Employer's Insolvency) Regulations, 1991;

(iv) the Social Security (Open Long-Term Benefits Scheme) Act 1996; and

(v) the Social Security (Insurance) Act,

- (b) any arrears of contributions whenever paid;
- (c) the moneys for which provision is made in section 20 of the Public Finance (Control and Audit) Act; and
- (d) any moneys specified in any other law as being payable into the Statutory Benefits Fund.

(2) Subject to subsection (1), any right, privilege, obligation or offence relating to the payment of contributions shall be as set out in the provisions referred to in subsection (1).

Benefits.

5.(1) There shall be charged upon the Statutory Benefits Fund and not upon the Existing Funds—

- (a) benefits payable pursuant to the following Acts and Regulations—
 - (i) the Social Security (Closed Long-Term Benefits and Scheme) Act 1996;
 - (ii) the Social Security (Employment Injuries Insurance) Act;
 - (iii) the Gibraltar Development Corporation (Employer's Insolvency) Regulations, 1991;
 - (iv) the Social Security (Open Long-Term Benefits Scheme) Act 1996; and
 - (v) the Social Security (Insurance) Act;
 - (vi) any other Act or Regulation that so provides, and
- (b) all expenses incurred in the administration of this Act and the Statutory Benefits Fund.

(2) Subject to subsection (1), any right, privilege, obligation or offence relating to the payment of benefits shall be as set out in the provisions referred to in section 3(1).

Transfer of fund balances.

6.(1) This section applies on the coming into operation of this Act.

(2) Where this section applies, there is transferred to and vested in the Statutory Benefits Fund all monies and investments which immediately before that time were held by the Existing Funds.

(3) Where this section applies, there is charged on the Statutory Benefits Fund all liabilities which, before this section applied, were charged on any of the Existing Funds.

EXPLANATORY MEMORANDUM

This Bill amalgamates the funds established under the Social Security (Closed Long-Term Benefits and Scheme) Act 1996, the Social Security (Employment Injuries Insurance) Act, the Gibraltar Development Corporation (Employer's Insolvency) Regulations, 1991, the Social Security (Open Long-Term Benefits Scheme) Act 1996 and the Social Security (Insurance) Act.

The Bill establishes the Statutory Benefits Fund (clause 3) and makes provision for contributions (clause 4) and benefits (clause 5).

The effect of clause 3 is to render the Closed Long-Term Benefits Fund, Employment Injuries Insurance Fund, Insolvency Fund, Open Long-Term Benefits Fund and Short Term Benefits Fund obsolete. Clauses 4 and 5 have the effect of retaining the law relating to contributions and benefits as they currently stand.

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