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**An Act to mitigate the economic hardship resulting from measures taken to protect the Cook Islands from COVID-19 (Coronavirus Disease 2019) by temporarily lowering the rate for contributions to the National Superannuation Fund for employers who receive a business grant or wage subsidy under the COVID-19 Economic Response Plan after 31 March 2020, and their employees.**

**The Parliament of the Cook Islands enacts as follows—**

**(25 March 2021)**

- Title**  
This Act is the COVID-19 (Cook Islands National Superannuation) Act 2021.
  - Commencement**  
This Act comes into force on 1 April 2021.
- Preliminary provisions*
- Interpretation**  
In this Act, unless the context otherwise requires,—

**Board** has the meaning given in section 2(1) of the National Superannuation Act

**Fund** has the meaning given in section 2(1) of the National Superannuation Act

**COVID-19 Economic Response Plan** means the official plan put in place by the Ministry to address the economic impacts of COVID-19, as amended from time to time

**Ministry** means the Ministry of Finance and Economic Management

**National Superannuation Act** means the Cook Islands National Superannuation Act 2000

**Trustee** has the meaning given in section 2(1) of the National Superannuation Act.

#### **4 Act binds the Crown**

This Act binds the Crown.

#### **5 Application**

- (1) This Act applies to an employee and the employee's employer, if the employer receives a business grant or wage subsidy under the COVID-19 Economic Response Plan after 31 March 2020.
- (2) This Act ceases to apply at the close of 30 June 2021.
- (3) However, the Queen's Representative may, by Order in Executive Council and in accordance with a recommendation of the Board and the Trustee, extend the Act's application to after 30 June 2021.
- (4) An Order in Executive Council under subsection (3)—
  - (a) may only be made before this Act ceases to apply; and
  - (b) may be made more than once; and
  - (c) may extend the application of this Act for a specified period or until the close of a specified date; and
  - (d) may extend the application of this Act no later than 30 September 2021.

#### *Contribution rates*

#### **6 Contributions to Fund in respect of employers who received business grant or wage subsidy**

- (1) An employee to whom this Act applies must contribute to the Fund at the rate of 1% of the employee's earnings.
- (2) An employer to whom this Act applies must contribute to the Fund at the rate of 1% of the employee's earnings.

#### *Relationship with other enactments*

#### **7 Relationship of this Act with National Superannuation Act**

- (1) Section 6 of this Act overrides section 39 of the National Superannuation Act in respect of employees and employers to whom it applies.
- (2) Section 6 of this Act is subject to the other provisions of the National Superannuation Act except that, in respect of employees and employers to whom it applies,—

- (a) the reference in section 41 of the National Superannuation Act to section 39(1)(a) must be read as a reference to section 6(1) of this Act; and
- (b) the reference in section 44 of the National Superannuation Act to section 39(1)(a) must be read as a reference to section 6(1) of this Act; and
- (c) the references in section 44 of the National Superannuation Act to section 39(1)(b) must be read as a reference to section 6(2) of this Act.

## **8 Relationship of this Act with Employment Relations Act 2012**

Despite section 36(1) of the Employment Relations Act 2012, an employer may deduct money from an employee's wages as required by this Act.

### *Effect of rates on employment agreements*

## **9 Effect of rates on employment agreements**

- (1) The rates set out in section 6 of this Act apply according to their terms despite anything to the contrary in an employment agreement (including rates referred to in an enactment).
- (2) Subsection (3) applies to an express or implied term in an employment agreement (including in a reference in an enactment) of an employee and employer to whom this Act applies.
- (3) If the express or implied term refers to contributions to the Fund, it must be treated as referring to contributions at the rates applying under section 6 of this Act.
- (4) Despite subsections (1) to (3), if the conditions in subsection (5) are met,—
  - (a) an employee to whom this Act applies may make higher contributions than the rate in section 6(1); and
  - (b) the employee's employer may make higher contributions than the rate in section 6(2).
- (5) The conditions are that—
  - (a) the employee's and employer's higher contributions are at the same rate; and
  - (b) the employee's and employer's higher contribution rate is not more than 5% of the employee's earnings.
- (6) Nothing in this section prevents an employee to whom this Act applies from paying a voluntary contribution under section 36(2) of the National Superannuation Act.