No. 21 of 2002.

Parliamentary Members' Retirement Benefits (Amendment) Act 2002.

Certified on: 10.05.02



INDEPENDENT STATE OF PAPUA NEW GUINEA.

No of 2002.

Parliamentary Members' Retirement Benefits (Amendment) Act 2002.

ARRANGEMENT OF SECTIONS.

- 1. Compliance with constitutional requirements.
- 2. Interpretation (Amendment of Section 1).
- 3. Amount of contributions (Amendment of Section 15).
- 4. Repeal of Section 16.
- 5. Calculation of rates of benefits (Amendment of Section 21).
- 6. New Section 23A.
 - "23A. CONTRIBUTORS FAILING TO COMPLETE A TERM OF OFFICE.".
- 7. Calculation of Division 2 pension and entitlements (Amendment of Section 24).
- 8. Calculation of rates of pension or entitlement (Amendment of Section 27).



INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 2002

AN ACT

entitled

Parliamentary Members' Retirement Benefits (Amendment) Act 2002,

Being an Act to amend the Parliamentary Members' Retirement Benefits Act 1997,

MADE by the National Parliament to come into operation in accordance with a notice in the National Gazette by the Head of State, acting with, and in accordance with, the advice of the Minister.

1. COMPLIANCE WITH CONSTITUTIONAL REQUIREMENTS.

This Act, to the extent that it regulates or restricts a right or freedom referred to in Subdivision III.3.C (*qualified rights*) of the *Constitution*, namely the right to privacy conferred by Section 49 of the *Constitution*, is a law that is made for the purpose of giving effect to the public interest in public welfare and public health.

2. INTERPRETATION (AMENDMENT OF SECTION 1). Section 1 of the Principal Act is amended –

(a) in the definition of "**pensioner**", in Paragraph (a), by inserting after the figure "20," the following :-

"21,"; and

(b) by repealing the definition of "spouse" and replacing it with the following:-

" "**spouse**" means the legal or customary wife or husband, as the case may be, of a contributor or pensioner or of a deceased contributor or pensioner;"; and

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- (c) in the definition of "term"
 - (i) by adding at the end of Paragraph (c) the following :-

"or"; and

- (ii) by inserting after Paragraph (c) the following new paragraph :-
 - "(d) the period commencing on the day immediately following the date fixed for the return of the writ for a by-election of the Member to the Parliament to which he was elected and ending on the date fixed for the return of the writ for the next general election.".

3. AMOUNT OF CONTRIBUTIONS (AMENDMENT OF SECTION 15). Section 15 of the Principal Act is amended by repealing the figure "12%" and replacing it with the following :-

"15%".

4. **REPEAL OF SECTION 16.** Section 16 of the Principal Act is repealed.

5. CALCULATION OF RATES OF BENEFITS (AMENDMENT OF SECTION 21).

Section 21 of the Principal Act is amended –

(i) by repealing Subsection (1) and replacing it with the following :-

"(1) The rate at which the pension or entitlement provided under Section 20 shall be paid is the rate of 5% of a Member's salary for each year of completed service."; and

(ii) in Subsection (2), by repealing the words "Subsections (1)(a) and (1)(b)" and replacing them with the following :-

"Subsection (1)".

6. NEW SECTION 23A.

The Principal Act is amended by inserting after Section 23 the following new section :-

"23A. CONTRIBUTORS FAILING TO COMPLETE A TERM OF OFFICE.

(1) A former contributor who fails to complete one term of contributory service shall be entitled to a benefit in respect of contributory service under this Division.

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"(2) The benefit under Subsection (1) shall consist of a contributor's benefit plus a State contribution calculated as follows :--

- (a) in the case of a contributor completing less than one year contributory service a sum equal to 30% of the contributor's benefit;
- (b) in the case of a contributor completing one but less than two years contributory service – a sum equal to 34% of the contributor's benefit;
- (c) in the case of a contributor completing two but less than three years contributory service – a sum equal to 38% of the contributor's benefit;
- (d) in the case of a contributor completing three but less than four years contributory service – a sum equal to 42% of the contributor's benefit.".

7. CALCULATION OF DIVISION 2 PENSION AND ENTITLEMENTS (AMENDMENT OF SECTION 24).

Section 24 of the Principal Act is amended -

(i) by repealing Subsection (2) and replacing it with the following :-

"(2) The rate at which the pension or entitlement provided under Section 23(2) shall be paid is the rate of 5% of a Member's salary for each year of completed service."; and

(ii) in Subsection (3), by repealing the words "Subsections (2)(a) or (2)(b)" and replacing them with the following :--

"Subsection (2)".

- CALCULATION OF RATES OF PENSION OR ENTITLEMENT (AMENDMENT OF SECTION 27).
 Section 27 of the Principal Act is amended –
 - (i) by repealing Subsection (1) and replacing it with the following :-

"(1) The rate at which the pension or entitlement provided under Section 26(2) shall be paid is the rate of 5% of a Prime Minister's salary for each year of completed service."; and

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(ii) in Subsection (2), by repealing the words "Subsection (1)(a) or (1)(b)" and replacing them with the following :-

"Subsection (1)".

I hereby certify that the above is a fair print of the *Parliamentary Members' Retirement Benefits (Amendment) Act* 2002 which has been made by the National Parliament.

Clerk of the National Parliament.

I hereby certify that the *Parliamentary Members' Retirement Benefits (Amendment) Act* 2002 was made by the National Parliament on 28 March 2002 by an absolute majority in accordance with the *Constitution*.

Speaker of the National Parliament.