



Papua New Guinea
National Gazette

PUBLISHED BY AUTHORITY

(Registered at the General Post Office, Port Moresby, for transmission by post as a Qualified Publication.)

No. G34]

PORT MORESBY, TUESDAY, 25th APRIL

[1978

THE CONSTITUTION:

ALTERATION TO AN ORGANIC LAW

The Government proposes to alter the *Organic Law on the Ombudsman Commission* and, pursuant to the requirements of Section 14(2) (making of alterations to the Constitution and Organic Laws) of the Constitution I, Kingsford Dibela, the Speaker of the National Parliament, hereby publish the proposed Law -

THE INDEPENDENT STATE OF PAPUA NEW GUINEA.

PROPOSED LAW TO ALTER THE ORGANIC LAW ON THE OMBUDSMAN
COMMISSION.

Organic Law on the Ombudsman Commission (Amendment No. 1).

ARRANGEMENT OF CLAUSES.

1. Principal Law.
2. Definitions (Amendment of Section 2).
3. Conditions of employment (Amendment of Section 6).
4. New section -

28A. - Annual appropriation for purposes of the Commission.

THE INDEPENDENT STATE OF PAPUA NEW GUINEA.

PROPOSED LAW TO ALTER THE ORGANIC LAW ON THE OMBUDSMAN
COMMISSION,

entitled

*Organic Law on the Ombudsman Commission (Amendment No. 1),*Being a Law to alter the *Organic Law on the Ombudsman
Commission* -

- (a) to correct certain self-evident errors in Sections 2 and 6 of the Principal Law; and
- (b) to provide for an annual appropriation of funds for the operation of the Ombudsman Commission,

MADE by the National Parliament to come into operation, or be deemed to have come into operation on the date of commencement of *Constitutional Amendment No. 6. - Leadership.*

1. - PRINCIPAL LAW.

In this Law the *Organic Law on the Ombudsman Commission* is referred to as the Principal Law.

2. - DEFINITIONS (AMENDMENT OF SECTION 2).

Section 2 of the Principal Law is amended -

- (a) by omitting from the definition of "the Committee" the words and figures "Section 229 (*the Ombudsman Commission*)" and substituting "Section 217 (*the Ombudsman Commission*)"; and
- (b) by omitting from the definition of "statutory body" the words and figures "Section 231(1)(a) (iv) (*functions of the Commission*)" and substituting "Section 219(1)(a)(iv) (*functions of the Commission*)".

3. - CONDITIONS OF EMPLOYMENT (AMENDMENT OF SECTION 6).

Section 6 of the Principal Law is amended by omitting "Section 229(3) (*the Ombudsman Commission*)" and substituting "Section 217(3) (*the Ombudsman Commission*)".

4. - NEW SECTION.

The Principal Law is amended by inserting in Part VI before Section 29 the following section :-

"28A. - ANNUAL APPROPRIATION FOR PURPOSES OF THE COMMISSION.

(1) There is hereby appropriated on the first day of each fiscal year -

- (a) in respect of the fiscal year commencing 1 January 1979 - K350 000; and
- (b) in respect of each subsequent fiscal year - the amount appropriated for the immediately

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(Amendment No. 1)

preceding fiscal year plus a percentage increase on that amount, declared by the Minister responsible for financial matters, by notice published in the National Gazette on or before the last day of that immediately preceding fiscal year, to be the rate of inflation in respect of that immediately preceding fiscal year,

for the lawful purposes of the Commission during that fiscal year.

"(2) Nothing in Subsection (1) prevents the Parliament from appropriating additional amounts for the lawful purposes of the Commission during a fiscal year."

THE CONSTITUTION :

ALTERATION TO AN ORGANIC LAW

The Government proposes to alter the *Organic Law on the Duties and Responsibilities of Leadership* and, pursuant to the requirements of Section 14(2) (*making of alterations to the Constitution and Organic Laws*) of the Constitution I, Kingsford Dibela, the Speaker of the National Parliament, hereby publish the proposed Law -

THE INDEPENDENT STATE OF PAPUA NEW GUINEA.

PROPOSED LAW TO ALTER THE ORGANIC LAW ON THE DUTIES AND RESPONSIBILITIES OF LEADERSHIP.

Organic Law on the Duties and Responsibilities of Leadership
(Amendment No. 2 - Senior Leadership).

ARRANGEMENT OF CLAUSES.

1. Compliance with constitutional requirements.
2. Principal Law.
3. Definitions (Amendment of Section 1).
4. Statement of income, etc., (Amendment of Section 4).
5. New section -

4A. - Continuation of obligations.

6. New Part -

PART IVA. - SENIOR LEADERSHIP.

- 26A. - Application of this Part.
- 26B. - Approved assets.
- 26C. - Disposal of assets.
- 26D. - Consequence of non compliance.

7. New Schedule -

SCHEDULE. - *Statutory Authorities and State-owned Corporations.*

THE INDEPENDENT STATE OF PAPUA NEW GUINEA.

PROPOSED LAW TO ALTER THE ORGANIC LAW ON THE DUTIES AND RESPONSIBILITIES OF LEADERSHIP,

entitled

Organic Law on the Duties and Responsibilities of Leadership
(Amendment No. 2 - Senior Leadership),

Being a Law to alter the *Organic Law on the Duties and Responsibilities of Leadership* -

- (a) to correct a self-evident error in Section 1 (*definitions*) of the Principal Law; and
- (b) to provide for certain information about the financial affairs of certain leaders and their immediate families to be made available to the public; and
- (c) to provide that certain persons to whom the Principal Law applies and certain members of their immediate families may hold assets or interests of only certain kinds; and
- (d) to provide for the disposal by those persons and those members of their families of assets and interests not of those certain kinds; and
- (e) to require that the persons to whom the Law applies shall resign their office if they or certain members of their immediate families fail to dispose of certain assets and interests,

and for related purposes,

MADE by the National Parliament to come into operation, or be deemed to have come into operation, on the date of commencement of *Constitutional Amendment No. 6. - Leadership*.

1. - COMPLIANCE WITH CONSTITUTIONAL REQUIREMENTS.

This Law, 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 freedom of employment conferred by Section 48 of the Constitution and the right to privacy conferred by Section 49 of the Constitution, is a law that is made for that purpose, taking into account the National Goals and Directive Principles and the Basic Social Obligations, for the purpose of giving effect to the public interest in public welfare.

2. - PRINCIPAL LAW.

In this Law the *Organic Law on the Duties and Responsibilities of Leadership*, as amended to date, is referred to as the Principal Law.

3. - DEFINITIONS (AMENDMENT OF SECTION 1).

Section 1 of the Principal Law is amended by omitting from the definition of "constitutional office-holder" the words and

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(Amendment No. 2 - Senior Leadership)*

figures "Section 226 (*definitions*)" and substituting "Section 221 (*definitions*)".

4. - STATEMENT OF INCOME, ETC., (AMENDMENT OF SECTION 4).

Section 4 of the Principal Law is amended -

- (a) by omitting from Subsection (1) "A person" and substituting "Subject to Subsection (1A), a person"; and
- (b) by inserting after Subsection (1) the following subsection :-

"(1A) Where a person to whom this Law applies, within the period since he last gave to the Ombudsman Commission a statement required by Subsection (1) to be given, acquires or disposes of, or his spouse or child under voting age acquires or disposes of, an asset or interest of a value exceeding K2 000, that person shall, within the period of one month immediately after that acquisition or disposal, give to the Ombudsman Commission a statement to the best of his knowledge setting out particulars of that asset or interest and the acquisition or disposal, as the case may be."; and

- (c) by inserting after Subsection (4) the following subsection :-

"(4A) Where a member of the Parliament or a member of the Ombudsman Commission gives to the Ombudsman Commission a statement under Subsection (1) or (1A) or information under Subsection (4) he shall, at the same time, give a copy of that statement or information to the Speaker of the National Parliament who shall keep or record it in a register to be known as 'the Register of Members' Interests' which shall be open for public inspection at all reasonable times on demand."; and

- (d) by omitting from Subsection (5) -

- (i) "under this section" and substituting "or to the Speaker of the National Parliament under this section and Section 4A"; and
- (ii) paragraph (c) and substituting the following :-

"(c) under an order of a court of competent jurisdiction; or

(d) in the case of a statement or information given to the

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(Amendment No. 2 - Senior Leadership)*

Speaker of the National
Parliament - to any member
of the public who requests
it."; and

- (d) by omitting from Subsection (6)(a) "Subsection (1)" and substituting "Subsection (1) or (1A)".

5. - NEW SECTION.

The Principal Law is amended by inserting after Section 4 the following section :-

"4A. - CONTINUATION OF OBLIGATIONS.

(1) Where a person ceases to be a person to whom this Law applies, the obligations imposed by Section 4(1), (1A), and (4) continue to apply to that person for a period of 12 months immediately after he ceases to be a person to whom this Law applies, and a reference in those subsections to a person to whom this Law applies shall be read as including a person referred to in this section.

"(2) A person referred to in Subsection (1) who -

- (a) fails without reasonable excuse (the burden of proof of which is upon him) to give to the Ombudsman Commission or other authority a statement in accordance with Section 4(1) or (1A), or to give any explanation or details required under Section 4(4); or
- (b) knowingly, recklessly or negligently gives such a statement or explanation, or any such details, that is or are false, misleading or incomplete in a material particular,

is guilty of an offence and is liable, on conviction, to a fine not exceeding K1 000."

6. - NEW PART.

The Principal Law is amended by inserting after Section 26 the following Part :-

"PART IVA. - SENIOR LEADERSHIP.

"26A. - APPLICATION OF THIS PART.

(1) The duties and obligations imposed by this Part are in addition to and not in derogation of any other provisions of this Law.

"(2) Subject to Subsection (3), this Part applies to and in relation to -

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(Amendment No. 2 - Senior Leadership)*

- (a) the Prime Minister, the Deputy Prime Minister and the other Ministers; and
- (b) the Leader of the Opposition; and
- (c) the Speaker of the National Parliament; and
- (d) the Chief Ombudsman; and
- (e) all heads of Departments of the National Public Service; and
- (f) the Director of the National Planning Office; and
- (g) the Director of the Office of Forests; and
- (h) the Director of the Office of Implementation; and
- (i) the Executive Director of the National Investment and Development Authority; and
- (j) the Chairman of the Public Service Commission; and
- (k) the Commissioner of Police; and
- (l) the Commander of the Defence Force; and
- (m) the full-time chief executives and full-time chairmen of the boards or other controlling bodies of the statutory authorities or State-owned corporations specified in the Schedule; and
- (n) any other person to whom Division III.2 (*Leadership Code*) of the Constitution applies who, by an Act of the Parliament is declared to be a person to and in relation to whom this Part applies.

"(3) The Head of State, acting with and in accordance with the advice of the National Executive Council may, within a period of six months immediately after the commencement of this Part, by notice published in the National Gazette, declare that the full-time chief executives and full-time chairmen of the boards or other controlling bodies of such other statutory authorities or State-owned corporations as are specified in the notice are persons to and in relation to whom this Part applies, and upon the publication of that notice they are such persons accordingly.

"(4) Where the office of a person referred to in Subsection (2) or (3) is not otherwise an office to and in relation to which Division III.2 (*Leadership Code*) of the Constitution applies, that office is hereby declared to be an office to and in relation to which that Division applies.

"(5) In the event of doubt as to whether a person is a person to and in relation to whom this Part applies, the decision of the Ombudsman Commission is final.

"26B. - APPROVED ASSETS.

(1) For the purposes of this section "senior leader's family" means -

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(Amendment No. 2 - Senior Leadership)*

- (a) a person to and in relation to whom this Part applies; and
- (b) his spouse; and
- (c) his children under voting age,

and a reference to the assets and interests of the family is a reference to the total holding of the family irrespective of which individual member holds that asset or interest.

"(2) Subject to Subsection (3), a senior leader's family shall hold no asset or interest other than -

- (a) cash; or
- (b) bank deposits within the country; or
- (c) Papua New Guinea government securities; or
- (d) investments in Papua New Guinea Investment Corporation unit trusts; or
- (e) one residence in the home region of the person to and in relation to whom this Part applies, and one other residence in an urban area, but not more than one residence in any one town; or
- (f) a beneficial interest in a village business group or groups whose object is the benefit of a village or number of villages as a whole, being an interest that does not exceed 5% of the assets of any such group or return an income exceeding in the aggregate K1 000 per year; or
- (g) land or land associated assets held under customary ownership; or
- (h) assets of a personal nature, including jewellery, clothing, furniture and other household effects, and motor vehicles and boats for person use.

"(3) Nothing in this Part prevents a person to and in relation to whom this Part applies, or his spouse or children under voting age, who is not or are not citizens of Papua New Guinea from holding any interest or engaging in any activity or enterprise outside of Papua New Guinea.

"(4) In the event of doubt as to whether an asset or interest is one falling within the description in Subsection (2), the decision of the Ombudsman Commission is final.

"26C. - DISPOSAL OF ASSETS.

(1) Subject to Subsections (3) and (4), where a person to and in relation to whom this Part applies or his spouse (or children under voting age) at -

- (a) the date of commencement of this Part; or
- (b) the date on which that person became a

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(Amendment No. 2 - Senior Leadership)

person to or in relation to whom this
Part applies,

(whichever is the later) held any asset or interest other than an asset or interest specified in Section 26B(2) he, or his spouse or child, as the case may be, shall dispose of that asset or interest in the manner provided in this Part within six months of the person, or her spouse or his father, as the case may be, becoming a person to and in relation to whom this Part applies.

"(2) Subject to Subsection (5), where a person is required under this Part to dispose of an asset or interest, he may do so by private sale, or he may sell it to any body established by an Act of the Parliament for the purpose of purchasing such assets and interests, at market or agreed value.

"(3) Where an asset or interest is sold in accordance with this section by private sale, the person selling it may, with the approval of the Ombudsman Commission, retain such interest in any asset for such period as, in the opinion of the Ombudsman Commission, is reasonably desirable as security for the completion of that transaction.

"(4) Where the Ombudsman Commission is of the opinion that the requirement to dispose of an asset or interest within the period specified in Subsection (1) would lead to unnecessary hardship to the person required to dispose of that asset or interest or to a member of his immediate family, it may, by notice to that person, specify a later date by which such asset or interest shall be disposed of, being not later than six months after the date by which he would otherwise be required to dispose of that asset or interest and that person may retain that asset or interest until but not later than that later date.

"(5) Every contract or agreement for the private sale of an asset or interest required by this Part to be disposed of is subject to the condition that the approval of the Ombudsman Commission is required before completion of the transaction.

"(6) Where the Ombudsman Commission is satisfied that a proposed private sale of an asset or interest required under this Part to be disposed of will result in the person who proposes to sell the asset or interest or his spouse or his children under voting age having or continuing to have a beneficial interest in that asset or interest after that proposed sale, the Ombudsman Commission shall refuse to approve the sale and upon such refusal being made known to the proposed vendor and purchaser, any contract or agreement of sale will be of no effect.

"26D. - CONSEQUENCE OF NON COMPLIANCE.

Where a person to and in relation to whom this Part applies or his spouse or his child under voting age holds

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(Amendment No. 2 - Senior Leadership)*

an asset or interest, other than an asset or interest specified in Section 26B(2), in contravention of this Part, that person shall immediately resign his office by virtue of which he is a person to and in relation to whom this Part applies."

7. - NEW SCHEDULE.

The Principal Law is amended by adding at the end the following :-

"Sec. 26A(2)(m). SCHEDULE.

Statutory Authorities and State-owned Corporations.

Cocoa Industry Board.
Coffee Industry Board.
Copra Marketing Board.
National Airlines Commission.
Electricity Commission.
National Housing Commission.
Papua New Guinea Banking Corporation.
Papua New Guinea Development Bank.
Papua New Guinea Harbours Board.
Papua New Guinea Shipping Corporation.
Food Marketing Corporation.
National Broadcasting Commission.
Bank of Papua New Guinea."

THE CONSTITUTION:

ALTERATION TO THE CONSTITUTION.

The Government proposes to alter the Constitution and, pursuant to the requirements of Section 14(2) (*making of alterations to the Constitution and Organic Laws*) of the Constitution, I Kingsford Dibela, the Speaker of the National Parliament, hereby publish the proposed Law -

THE INDEPENDENT STATE OF PAPUA NEW GUINEA.

PROPOSED LAW TO ALTER THE CONSTITUTION.

Constitutional Amendment No. 6. - Leadership.

ARRANGEMENT OF CLAUSES.

1. Responsibilities of office (Amendment of Section 27).
2. Further provisions (Amendment of Section 28).

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PROPOSED LAW TO ALTER THE CONSTITUTION

entitled

Constitutional Amendment No. 6. - Leadership,

Being a Law to alter the Constitution by providing -

- (a) that certain persons to whom Division III.2 (*Leadership Code*) applies shall resign their offices if they or certain member of their immediate family hold assets or interests of certain kinds; and
- (b) for additional duties and obligations to be imposed on certain leaders; and
- (c) that those leaders and certain members of their immediate family shall not hold certain assets or interests; and
- (d) for the disposal of those assets and interests; and
- (e) that certain information about the financial affairs of members of the Parliament and members of the Ombudsman Commission and their respective families shall be made available to the public,

MADE by the National Parliament.

1. - RESPONSIBILITIES OF OFFICE (AMENDMENT OF SECTION 27).

Section 27 of the Constitution is amended -

- (a) by inserting after Subsection (3) the following subsection :-

"(3A) Notwithstanding Subsection (3), an Organic Law made for the purposes of this Division may require a person to whom this Division applies to resign the office by virtue of which he became such a person if he or his spouse or children hold assets or interests, other than those of a type specified in an Organic Law made under Section 28(1)(ab) (*further provisions*)."; and

- (b) by omitting from Subsection (5)(b) "Subsections (1), (2) and (3)" and substituting "Subsections (1), (2), (3) and (3A)".

2. - FURTHER PROVISIONS (AMENDMENT OF SECTION 28).

Section 28(1) of the Constitution is amended -

- (a) by inserting before paragraph (a) the following paragraphs :-

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- "(aa) may impose upon any person or class of persons to whom this Division applies a higher duty or more onerous obligations than imposed upon other persons or classes of persons to whom this Division applies; and
- "(ab) may specify the classes of assets and interests that those persons on whom such higher duties or more onerous obligations are imposed, and their spouses and children, are permitted to hold as their only assets and interests; and"; and
- (b) by inserting in paragraph (b) after "some other authority" the words ", or the Speaker of the National Parliament,"; and
- (c) by inserting after paragraph (c) the following paragraph :-
 - "(ba) may require that any information made available to the Speaker of the National Parliament under this Division shall be made available to the public, and shall specify that circumstances under which it shall be so made available; and"; and
- (d) by omitting from paragraph (c) "shall empower" and substituting "shall provide for the disposal of any assets and interests of persons to whom this Division applies and their spouses and children, or empower".

THE CONSTITUTION:

ALTERATION TO THE CONSTITUTION.

The Government proposes to alter the Constitution and, pursuant to the requirements of Section 14(2) (*making of alterations to the Constitution and Organic Laws*) of the Constitution I, Kingsford Dibela, the Speaker of the National Parliament, hereby publish the proposed Law -

THE INDEPENDENT STATE OF PAPUA NEW GUINEA.

PROPOSED LAW TO ALTER THE CONSTITUTION.

Constitutional Amendment No. 7. - Allowances and Pensions.

ARRANGEMENT OF CLAUSES.

The Parliamentary Salaries Tribunal (Amendment of Section 131).

THE INDEPENDENT STATE OF PAPUA NEW GUINEA.

PROPOSED LAW TO ALTER THE CONSTITUTION

entitled

Constitutional Amendment No. 7. - Allowances and Pensions,

Being a Law to alter the Constitution by providing for additional remuneration and other benefits for members of the Parliament and for certain benefits for the dependent members of their immediate family on the death of those members of the Parliament,

MADE by the National Parliament to come into operation, or be deemed to have come into operation, on the date of commencement of *Constitutional Amendment No. 6. - Leadership.*

THE PARLIAMENTARY SALARIES TRIBUNAL (AMENDMENT OF SECTION 131).

Section 131 of the Constitution is amended -

- (a) by omitting from Subsection (3) "The Tribunal" and substituting "Subject to Subsections (5) and (6), the Tribunal"; and
- (b) by adding at the end the following subsections :-

"(5) An Organic Law may provide that members of the Parliament upon whom higher duties or more onerous obligations are imposed under Division III.2 (*Leadership Code*) shall be paid such loadings on any salary fixed by the Tribunal in respect of such members at such rate or rates fixed from time to time by the Tribunal, not being less than the rate or rates specified in that Organic Law.

"(6) An Organic Law may provide for the payment of pensions to persons who have served as members of the Parliament and the pensions or financial benefits payable to their spouses and dependant children on the death of members or former members of the Parliament, at such rate or rates fixed from time to time by the Tribunal, not being less than the rate or rates specified in that Organic Law."

THE CONSTITUTION:

PROPOSED ORGANIC LAW.

The Government proposes to introduce into the Parliament a proposed Organic Law and, pursuant to the requirements of Section 14(2) (*making of alterations to the Constitution and Organic Laws*) of the Constitution I, Kingsford Dibela, the Speaker of the National Parliament, hereby publish the proposed Law -

THE INDEPENDENT STATE OF PAPUA NEW GUINEA.

Organic Law on Parliamentary Pensions and Other Benefits.

ARRANGEMENT OF CLAUSES.

PART I. - PRELIMINARY.

1. Compliance with constitutional requirements.
2. Definitions -

"basic salary".
"former member".
"ordinary member".
"member of the Parliament".
"the Regulations".
"Senior Office".
"Senior Leader".

PART II. - SALARY LOADING FOR SENIOR LEADERS.

3. Salary loading.

PART III. - PARLIAMENTARY PENSIONS.

4. Pensions payable to former members.
5. No pension where member dismissed from office.

PART IV. - DEPENDANT'S BENEFITS.

6. Pensions to be paid to dependent spouse or child.

PART V. - MISCELLANEOUS.

7. Time and manner of payment.
8. Pension to be reduced in certain circumstances.
9. Non-citizens not to benefit.
10. Ombudsman Commission to administer pension scheme.
11. Regulations.

THE INDEPENDENT STATE OF PAPUA NEW GUINEA.

PROPOSED ORGANIC LAW

entitled

Organic Law on Parliamentary Pensions and Other Benefits,

Being an Organic Law -

- (a) to provide for salary loadings to be paid to members of the Parliament to and in relation to whom Part IVA of the *Organic Law on the Duties and Responsibilities of Leadership* apply; and
- (b) to set minimum rates for such loadings; and
- (c) to establish a pension scheme for former members of the Parliament and provide for particulars of that scheme to be set out in regulations; and
- (d) to provide for certain benefits for the dependant spouse and children of deceased members and former members of the Parliament; and
- (e) to set minimum rates for such pensions or other benefits,

and for related purposes,

MADE by the National Parliament to come into operation, or be deemed to have come into operation on a date specified in a notice published in the National Gazette by the Minister, being a date not earlier than the date of commencement of *Constitutional Amendment No.6 - Leadership* and the *Organic Law on the Duties and Responsibilities of Leadership (Amendment No.2 - Senior Leadership)*,

PART I. - PRELIMINARY.

1. - COMPLIANCE WITH CONSTITUTIONAL REQUIREMENTS.

This Law, 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 that purpose, taking into account the National Goals and Directive Principles and the Basic Social Obligations, for the purpose of giving effect to the public interest in public welfare.

2. - DEFINITIONS.

In this Law, unless the context indicates otherwise or some other meaning is clearly intended -

"basic salary" in relation to a former member means the basic salary payable to him as a member of the Parliament immediately before he ceased to be such a member;

"former member" means a former member of the Parliament;

"ordinary member" means a member of the Parliament other than the holder of a Senior Office;

Organic Law on Parliamentary Pensions and Other Benefits

"member of the Parliament" includes a member of the former House of Assembly who held office on or after 1 April 1972;

"the Regulations" means the regulations made under this Law;

"Senior Office" means the office held by a Senior Leader and includes an equivalent office in the former House of Assembly on or after 1 April 1972;

"Senior Leader" means a member of the Parliament to and in relation to whom Part IVA of the *Organic Law on the Duties and Responsibilities of Leadership* applies.

PART II. - SALARY LOADING FOR SENIOR LEADERS.

3. - SALARY LOADING.

(1) On and from the commencement of this Law, a Senior Leader shall be paid a loading on the basic salary payable in respect of his Senior Office, at such rates as are determined from time to time by the Parliamentary Salaries Tribunal, being not less than 30% of that basic salary.

(2) A salary loading referred to in Subsection (1) shall be paid at the same time and in the same manner as the Senior Leader's salary.

PART III. - PARLIAMENTARY PENSIONS.

4. - PENSIONS PAYABLE TO FORMER MEMBERS.

(1) Subject to this Law, each former member who ceased to be a member of the Parliament on or after the commencement of this Law shall be paid a pension for life.

(2) Subject to Subsections (3) and (4) and to Part V, the annual amount of pension payable to a former member shall be such rate as the Parliamentary Salaries Tribunal from time to time determines, being not less than -

(a) where immediately before he ceased to be a member he was a Senior Leader - 7½% of his basic salary; or

(b) where immediately before he ceased to be a member he was an ordinary member - 3% of his basic salary,

multiplied by the number of years (including parts of years) during which he served as the holder of a Senior Office, or as an ordinary member, as the case may be.

(3) Subject to Subsection (4), where part of a former member's service as a member of the Parliament was as an ordinary member and part as the holder of a Senior Office, the amount of pension payable to that former member shall be calculated by applying the following formula :-

$$[(A \times \frac{B}{100} \times C) + (D \times \frac{E}{100} \times F)] \times 12 = G$$

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where -

- A is the number of completed months served by the former member as an ordinary member; and
- B is the rate determined under Subsection (2) by the Parliamentary Salaries Tribunal in respect of former members who were ordinary members; and
- C is the monthly basic salary payable to an ordinary member immediately before the former member ceased to be a member of the Parliament; and
- D is the number of completed months served by the former member as the holder of a Senior Office; and
- E is the rate determined under Subsection (2) by the Parliamentary Salaries Tribunal in respect of former members who were Senior Leaders; and
- F is the monthly basic salary payable to the holder of that or the equivalent Senior Office immediately before the former member ceased to be a member of the Parliament; and
- G is the annual amount of pension payable to the former member.

(4) Except where and until the Parliamentary Salaries Tribunal determines that a higher limit shall be applicable to a former member (in which case the limit shall be that higher limit so determined) the annual amount of pension payable to a former member shall not exceed -

- (a) in the case of a former member all of whose service as a member of the Parliament was as the holder of a Senior Office - 75% of his annual basic salary; and
- (b) in the case of a former member all of whose service as a member of the Parliament was as an ordinary member - 50% of his annual basic salary; and
- (c) in the case of a former member part of whose service as a member of the Parliament was as the holder of a Senior Office and part as an ordinary member - the percentage of his annual basic salary arrived at by applying the following formula :-

$$\left[\left(A \times \frac{B}{100} \right) + \left(C \times \frac{D}{100} \right) \right] \div (A + C) = E\%$$

where -

- A is the number of completed months served by the former member as holder of a Senior Office; and
- B is 75 or such higher percentage limit determined by the Parliamentary Salaries Tribunal in respect of the holders of Senior Offices, as the case may be; and
- C is the number of completed months served by the former member as an ordinary member; and
- D is 50 or such higher percentage limit determined by the Parliamentary Salaries Tribunal in respect of ordinary members, as the case may be; and

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E is the percentage of the annual basic salary of the former member.

5. - NO PENSION WHERE MEMBER DISMISSED FROM OFFICE.

No pension shall be payable to a former member who was dismissed from membership of the Parliament for an offence specified in the Regulations.

PART IV. - DEPENDANTS' BENEFITS.

6. - PENSIONS TO BE PAID TO DEPENDENT SPOUSE OR CHILD.

(1) Where a former member who was receiving a pension under this Law, or a member of the Parliament who would have been entitled to receive such a pension had he resigned, dies leaving a dependant spouse who survives him, that spouse shall, subject to Part V, be paid the pension her deceased husband was receiving or would have been entitled to receive had he resigned his office immediately before the date of his death, as the case may be, for as long as that spouse remains so dependent.

(2) Where a former member or member of the Parliament referred to in Subsection (1) dies leaving no dependant spouse surviving him but leaving a dependant child or dependant children who is or are under voting age, there shall, subject to Part V, be payable to the Public Trustee in trust for that dependant child or those dependant children, and if more than one in equal shares, the pension that his or their deceased parent was receiving or would have been entitled to receive had he resigned his office immediately before the date of his death, as the case may be, for as long as that child or those children, or any of them, remains so dependent and under voting age.

(3) Where a surviving dependant spouse referred to in Subsection (1) dies leaving her surviving a dependant child or dependant children under voting age of the deceased former member or member of the Parliament referred to in that subsection, the provisions of Subsection (2) apply as if that dependant spouse were the deceased former member or member of the Parliament, as the case may be.

PART V. - MISCELLANEOUS.

7. - TIME AND MANNER OF PAYMENT.

A pension payable under this Law shall be paid at such times and in such manner as prescribed by the Regulations.

8. - PENSION TO BE REDUCED IN CERTAIN CIRCUMSTANCES.

Where in any year a person entitled to receive a pension under this Law receives income from any other source, 50% of the amount of the pension which he would otherwise be entitled to receive in that year shall be reduced by the amount of income received from that other source.

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9. - NON-CITIZENS NOT TO BENEFIT.

No person other than a citizen of Papua New Guinea shall receive any benefit under this Law.

10. - OMBUDSMAN COMMISSION TO ADMINISTER PENSION SCHEME.

The pension scheme established by this Law shall be administered by the Ombudsman Commission.

11. - REGULATIONS.

The Head of State, acting with, and in accordance with, the advice of the National Executive Council, may make regulations, not inconsistent with this Law, prescribing all matters that are required or permitted to be prescribed, or that are necessary or convenient to be prescribed, for carrying out or giving effect to this Law, and in particular for requiring returns of income to be lodged with the Ombudsman Commission and the particulars to be disclosed in such returns.