

PARLIAMENTARY PENSION ACT 2008

(No. 19 of 2008)

ARRANGEMENT OF SECTIONS

Section

Part I – Preliminary

1. Title and Commencement Date
2. Purpose
3. Definitions

Part II – Repeal and Savings

4. Repeal
5. Assets
6. Savings
7. Liabilities

Part III – Parliamentary Pensions for Former Long Term Members of Parliament

8. Parliamentary Pensions to Members of Parliament
9. Pension Benefits to Widows/Widowers
10. Pension Benefits to Dependants
11. Forfeit of Salary

Part IV – Miscellaneous

12. Charge on Treasury Fund
13. Regulations

REPUBLIC OF NAURU

(No. 10 of 2008)

AN ACT

To repeal the *Parliamentary Superannuation Act 1991*, abolish the Nauru Parliamentary Superannuation Trust and establish a new Parliamentary pension for former long term Members of Parliament.

(Certified: 8th September 2008)

Be it enacted by the Parliament of Nauru as follows:

Part 1: Preliminary

Title and commencement date

1. This Act is the *Parliamentary Pension Act, 2008*, and has effect from September 30th, 2008.

Purpose

2. The purpose of this Act is to repeal the *Parliamentary Superannuation Act 1991*, abolish the Nauru Parliamentary Superannuation Trust and establish a new Parliamentary Pension for former long term Members of Parliament.

Definitions

3. In this Act, unless the contrary intention appears-

"Dependant" means, in relation to a Member or former Member of Parliament or a surviving spouse, a child of that person or a child who lives with that person or a child whom that person is under a legal obligation to support, who has not attained the age of seventeen years;

"Full year" means a total period of twelve months and is not confined to twelve consecutive months in one calendar year;

"Parliament Pension" refers to the pension payment prescribed by this Act; and

"Salary" means an income paid for current employment or services including an allowance paid to a Board Member of a government instrumentality or State-Owned Enterprise and does not include a pension, superannuation payment, investment income, royalty payments, lease payments or benefits from a provident fund.

Part 2: Repeal and Savings

Repeal

4. The *Parliamentary Superannuation Act 1991* is hereby repealed.

Assets

5. All current assets, income sources and equipment of the Nauru Parliamentary Superannuation Trust and the Nauru Parliamentary Superannuation Fund are hereby vested in the Republic.

Savings

6. (1) Notwithstanding the repeal of the *Parliamentary Superannuation Act 1991*, and the abolition of the Nauru Parliamentary Superannuation Trust and the Nauru Parliamentary Superannuation Fund consequent upon such repeal, the Republic shall, subject to subsection (2), honour the liability to pay such outstanding pension entitlements as were accrued by eligible former Members of Parliament under the "*Parliamentary Superannuation Act 1991*" up to the date of this Act coming into force.

(2) Cabinet may determine that the settlement of liabilities of the Republic under subsection (1) is to be deferred until such time as it is deemed by Cabinet to be practicable to make budgetary provision for the payment of pending entitlements previously accrued under the *Parliamentary Superannuation Act 1991*.

Liabilities

7. Subject to section 6, the Republic and its employees shall not be liable for any liabilities and debts of the Nauru Parliamentary Superannuation Trust or the Nauru Parliamentary Superannuation Fund incurred by virtue of the breach or neglect by the Trustees or any employees of the Trust of the duties that were prescribed under the *Parliamentary Superannuation Act 1991*, or by virtue of the Trustees or any employees of the Trust exceeding or acting beyond the powers that were prescribed under the *Parliamentary Superannuation Act 1991*.

Part 3: Parliamentary Pensions for former long term Members of Parliament

Parliamentary Pensions to Members of Parliament

8. (1) Subject to this Act, a person who has been a Member of Parliament shall on ceasing to be a Member of Parliament be entitled to a Parliamentary Pension, where such person:
 - (a) has served as a Member of Parliament for an aggregate period of nine years or more; and
 - (b) is not in full-time employment, or in receipt of any Salary from the Republic, including its State Owned Enterprises.
- (2) Subject to sub-section (3) and (4), the rate of the Parliamentary Pension shall be \$150 per fortnight.

(3) In addition to the basic rate payable under subsection (2), a former Member of Parliament shall be entitled to \$1.50 per fortnight for each full year (in excess of 9 years) of service as a Member of Parliament.

(4) In addition to payment provided for under subsections (2) and (3) hereof, a former Member of Parliament shall be entitled to \$1.50 per fortnight for each full year of service as the Deputy Speaker, Speaker, Minister or President.

(5) A former Member of Parliament who ceases to be a Nauruan citizen or who ceases to reside in Nauru shall not be entitled to a Parliamentary Pension.

Pension benefits to widow/ers

9. The surviving spouse of a Member of Parliament or a former Member shall be entitled to a Parliamentary pension under this Act as follows:

- a. if a Member dies during the Member's period of service then a Parliamentary Pension shall be paid to the Member's surviving spouse during his or her lifetime being the full rate of the Parliamentary Pension to which the deceased Member would have been entitled had the Member resigned at the date of death; or
- b. if a former Member in receipt of a Parliamentary Pension dies then a Parliamentary Pension shall be paid to the Member's surviving spouse during his or her lifetime of being the full rate of the Parliamentary Pension to which the deceased former Member would have been entitled had the Member not died;

Provided that the surviving spouse is not in full-time employment, or in receipt of any Salary from the Republic, including its State Owned Enterprises.

Pension benefits to dependants

10 (1) If a surviving spouse of a Member or former Member of Parliament who is in receipt of or entitled to a Parliamentary Pension in accordance with section 9 of this Act dies and is survived by one or more dependants, a Parliamentary Pension shall be paid to such dependant/s at the full rate to which the surviving spouse was or would have been entitled, provided that if there is more than one such dependant the dependants shall receive one Parliamentary Pension between them and shall not each be entitled to a full Parliamentary Pension.

(2) If a Member or former Member of Parliament who was or who would have been entitled to a Parliamentary Pension under this Act dies and is not survived by a spouse but is survived by one or more dependants, a Parliamentary Pension shall be paid to such dependant/s at the full rate to which the Member or former Member was or would have been entitled provided that if there is more than such one dependant the dependants shall receive one Parliamentary Pension between them and shall not each be entitled to a full Parliamentary Pension.

(3) Parliamentary Pensions paid to dependants under subsections (1) or (2) hereof shall cease upon the youngest dependant attaining seventeen years of age or as soon as by reason of death or any other cause there is no longer any entitled dependant sixteen years or younger.

Forfeit of Salary

11. A former Member of Parliament or surviving spouse who would be entitled to a Parliamentary Pension under section 8 or 9 of this Act but for the fact that they are in receipt of a Salary for the Republic or a State Owned Enterprise may opt to forfeit such Salary and upon such forfeit shall be entitled to receive a Parliamentary Pension.

Part IV: Miscellaneous

Charge on Treasury Fund

12. The Parliamentary Pension to which a person shall be entitled under this Act shall be paid from the Treasury Fund which shall be charged according.

Regulations

13. Cabinet may make Regulations, not inconsistent with this Act, prescribing matters required or permitted by this Act to be prescribed.

I hereby certify that the above is a fair print of a Bill for an Act entitled **Parliamentary Pension Act 2008**, has been passed by Parliament of Nauru and is now presented to the Speaker for his Certification under Article 47 of the Constitution.



Clerk of Parliament
8th September 2008

Pursuant to Article 47 of the Constitution, **I, Riddell Akua**, Speaker of Parliament, hereby certify that the **Parliamentary Pension Act 2008**, has been passed by Parliament of Nauru.



Speaker
8th September 2008