



No. 10 of 1996.

Defence Force Retirement Benefits (Amendment) Act 1996.

Certified on : 18.9.96

INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 1996.

Defence Force Retirement Benefits (Amendment) Act 1996.

ARRANGEMENT OF SECTIONS.

1. Interpretation (Amendment of Section 1).
 "approved builder"
 "retrenchment"
2. State contributions in respect of pensions (Amendment of Section 29).
3. New Division V.1A.

"Division 1A. - Benefits on Retrenchment.

"33A. BENEFITS ON RETRENCHMENT."

4. New Part VI.A.

"PART VIA. - PAYMENTS FROM THE FUND."

**"59A. ADVANCES FROM THE FUND TO PURCHASE, ETC., A
DWELLING HOUSE."**

INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 1996.

AN ACT

entitled

Defence Force Retirement Benefits (Amendment) Act 1996,

Being an Act to amend the *Defence Force Retirement Benefits Act* (Chapter 76),

MADE by the National Parliament to be deemed to have come into operation on 30 July 1996.

1. INTERPRETATION (AMENDMENT OF SECTION 1).

Section 1(1) of the Principal Act is amended -

(a) by inserting after the definition of "actuary" the following new definition:-

"'approved builder' means a builder approved by the Board;" and

(b) by inserting after the definition of "retiring age for the rank held" the following new definition:-

"'retrenchment', in relation to a contributor, means the termination of his service because -

(a) his services are, or his position is, no longer required;

or

(b) the work for which he was engaged is finished; or

(c) of a reduction in the size of the Defence Force;"

2. STATE CONTRIBUTIONS IN RESPECT OF PENSIONS (AMENDMENT OF SECTION 29).

Section 29(1) of the Principal Act is amended by repealing the reference "Section 33(5)" and replacing it with the following:-

"Section 33A(1)(a)".

Defence Force Retirement Benefits (Amendment)

3. **NEW DIVISION V.1A.**

Part V of the Principal Act is amended by inserting after Division I the following new Division:-

'Division 1A. - Benefits on Retrenchment.

'33A. BENEFITS ON RETRENCHMENT.

(1) A contributor who is retrenched is entitled on retrenchment to the sum of -

- (a) all contributions made by him plus interest accrued at the Fund earning rate; and
- (b) the State contribution.

"(2) A person entitled to a benefit under Subsection (1) may opt to receive the benefit in one of the following methods:-

- (a) a cash payment; or
- (b) a payment of 50% of the sum payable under Subsection (1) and a residual pension; or
- (c) the full amount of the sum payable in the form of a pension."

4. **NEW PART VIA.**

The Principal Act is amended by inserting after Part VI the following new Part:-

'PART VIA. - PAYMENTS FROM THE FUND.

'59A. ADVANCES FROM THE FUND TO PURCHASE, ETC., A DWELLING HOUSE.

(1) Subject to the availability of funds and to the approval of the Minister, the Board may, upon application by a contributor, permit the payment to the contributor from the Fund of an amount not exceeding -

- (a) 52 times the contributor's fortnightly pay; or
- (b) in accordance with Subsection (2), the total amount of benefits standing to the credit of the contributor's account, whichever is the lesser amount, for the purpose of -
 - (c) purchasing an approved dwelling house either outright or on a deposit and instalment basis; or
 - (d) payment of the construction by an approved builder of a dwelling house either outright or on a deposit and instalment basis.

"(2) For the purpose of Subsection (1)(b) the total amounts of benefits standing to the credit of a contributor's account shall consist of -

- (a) the contributor's contributions plus interest accrued at the Fund earning rate; and

Defence Force Retirement Benefits (Amendment)

(b) an employer benefit determined as if the contributor had resigned on the date of applying for a payment under Subsection (1), and the amounts paid under Paragraphs (a) and (b) shall relate to the same period of service.

"(3) Where payment has been made to a contributor under Subsection (1) -

- (a) the amount paid and outstanding from time to time shall be shown as a debit balance in a housing advance account in the name of the contributor; and
- (b) interest shall be payable to the Fund on the outstanding balance from time to time at the Fund's earning interest rate.

"(4) Interest payable from a contributor's housing advance account under Subsection (3) shall be satisfied by offsetting the appropriate amount from interest payable to that contributor under Subsection (2)(a).

"(5) Where the contributor withdraws his benefit in accordance with Subsection (1)(c) or (d) he shall continue to contribute to the Fund.

"(6) Payments payable pursuant to Parts V and VI to, or in respect of a contributor who has received an advance under Subsection (1) shall be adjusted by the Board on the advice of the actuary to take into account the payment of that advance."

I hereby certify that the above is a fair print of the *Defence Force Retirement Benefits (Amendments) Act 1996*.

Clerk of the National Parliament.

I hereby certify that the *Defence Force Retirement Benefits (Amendment) Act 1996* was made by the National Parliament on 1 August 1996.

Acting Speaker of the National Parliament.