

SAMOA

Arrangement of Provisions

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2010, No. 20

AN ACT to amend the Parliamentary Pension Scheme Act 1998 and for related purposes. *[24th August 2010]*

BE IT ENACTED by the Legislative Assembly of Samoa in Parliament assembled as follows:

1. Short title and commencement-(1) This Act may be cited as the Parliamentary Pension Scheme Amendment Act 2010.

(2) This Act commences on a date to be nominated by the Minister.

(3) This Act shall be read with, and form part of, the Parliamentary Pension Scheme Act 1998 (referred to in this Act as the “Principal Act”).

2. Interpretation - For section 2(1) of the Principal Act substitute:

- “(1) In this Act unless the contrary intention appears:
- “Board” means the Board of Directors established under section 4;
 - “contribution” means the member’s contribution fixed at 10% of the member’s salary per annum, and the government’s contribution being the balance required to provide the benefits under the scheme;
 - “credited interest rate” means the interest rate declared by the Board at the beginning of each plan year pursuant to its power in section 5(e);
 - “effective date” means 16 May 1996;
 - “government” means the government of Samoa;
 - “government’s contribution” means the amount in excess of the member’s contributions required to provide the entitlements under the plan;
 - “Member of Parliament” means a Member of the Parliament of Samoa holding that office on or after the effective date;
 - “member” means any participant in the Scheme;
 - “member’s contribution” means the amount of 10% per annum of each member’s salary;
 - “Minister” means the Minister of Finance;
 - “Plan” means the pension plan prescribed by regulations and in accordance with this Act;
 - “plan year” means each year commencing on July 1 and finishing on 30 June of the next calendar year;
 - “regulations” means regulations made under this Act;
 - “retirement age” means the age of 65 years or such other age prescribed in the regulations;

“salary” means gross base remuneration excluding any additional allowances or payments;

“Scheme actuary” means the actuary employed or engaged by the Board under section 14(d);

“spouse” means lawfully married husband or wife.”.

3. Establishment of Scheme - In section 3 of the Principal Act, after “this Act”, insert “and the regulations”.

4. Board of Directors - Section 4 of the Principal Act is amended by:

(a) in subsection (2), for “Members” substituting “Subject to subsection (3), members”; and

(b) after subsection (2), inserting:

“(3) Every Director, whenever appointed, holds office at the pleasure of the Head of State, acting on the advice of Cabinet.”.

5. Powers of the Board - For section 5(a) of the Principal Act substitute:

“(a) amend or substitute the Plan by regulation and in accordance with Part III;”.

6. Disclosure of Interest - In section 9(2) of the Principal Act, omit “; and the matter shall be considered in the presence of an Alternate Director appointed under section 7”.

7. Adoption of Plan - For section 11 of the Principal Act substitute:

“11. Pension Plan-(1) The Board shall ensure that the Plan is consistent with the provisions of this Act, and specifies the entitlements of the members, and the manner of effecting the payments of their entitlements.

(2) The Plan:

- (a) shall be consistent with section 2, and use those definitions;
- (b) shall provide for entitlements that are consistent with section 12;
- (c) may contain transitional and savings provisions, including entitlement provisions with retrospective application to the effective date.”.

8. Necessary Components of the Plan - Section 12 of the Principal Act is amended by:

- (a) omitting “(1)”;
- (b) omitting “adopted under section 11”;
- (c) for paragraph (a), substituting:

“(a) The payment and amount of an annual pension upon a member reaching retirement age and ceasing to be a Member of Parliament;”;

- (d) for paragraph (b), substituting:

“(b) The payment of withdrawal benefits -
(i) for current Members of Parliament; and
(ii) for members who leave parliamentary service prior to the retirement age for any reason other than death;”;

- (e) in paragraph (d), omitting the words after “benefit to a” and substituting “nominee, or if there is no nominee, to a surviving spouse of the member, or if there is no spouse, to the member’s next of kin”;

(f) after paragraph (d), inserting:

“(da) The payment of a pension to a surviving spouse of a deceased member;”;

(g) in paragraph (g), after “Act” inserting “and the regulations”.

9. Amendments to the Plan - Section 13 of the Principal Act is amended by:

(a) for subsection (1), substituting:

“(1) The Board may make any regulations to amend or substitute the Plan that are necessary for its more efficient administration and which comply with section 11(2).”;

(b) in subsection (2), after “amendments” inserting “to, or substitution of, the Plan”.

10. Administration of the Plan - After section 14(c) of the Principal Act insert:

“(d) Employ or engage the services of an actuary for the Scheme whose duties include giving actuarial advice to the Board in relation to the Plan.”.

11. Government’s contribution – For section 17 of the Principal Act substitute:

“17. Government’s contribution-(1) In each plan year the Board shall take advice from the Scheme actuary for the purpose of making a determination as to the amount, if any, to be contributed by the government to the Scheme.

(2) The government shall guarantee the Scheme and contribute such amount, if any, from time to time as is determined by the Board under subsection (1).”.

12. Investment of Scheme's Funds – Section 19 of the Principal Act is amended by:

- (a) in subsection (1), for “plan” substituting “policy”;
- (b) in subsection (2) -
 - (i) for “(3) and (4)” substituting “(4) and (5)”;
 - (ii) after paragraph (c), inserting:
 - “(d) in any specific investment or class of investment, prescribed by, or as authorised in the manner prescribed by, the regulations.”;
- (c) for “(2)” (where secondly occurring) substituting “(3)”;
- (d) by renumbering subsection (3) as subsection (4);
- (e) by renumbering subsection (4) as subsection (5).

13. Actuarial Surveys of the Scheme - For section 20 of the Principal Act substitute:

“**20. Annual Actuarial certificate**-(1) In each plan year the Board shall commission the Scheme actuary to provide a certificate as to:

- (a) the financial position and performance of the Scheme;
- (b) the amount of any contributions to the Scheme required from the government; and
- (c) any other matters considered relevant by the Scheme actuary.

(2) The Scheme actuary shall provide the certificate to the Board within a reasonable time from the date of the commission.”.

14. Substitution of Part VII – For Part VII of the Principal Act, substitute:

**“PART VII
Miscellaneous**

23. Regulations – The Head of State, acting on the advice of Cabinet, may make such regulations as are necessary or expedient to give full effect to this Act and for its due administration.”.

**The Parliamentary Pension Scheme Amendment Act 2010
is administered by the National Provident Fund.**

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