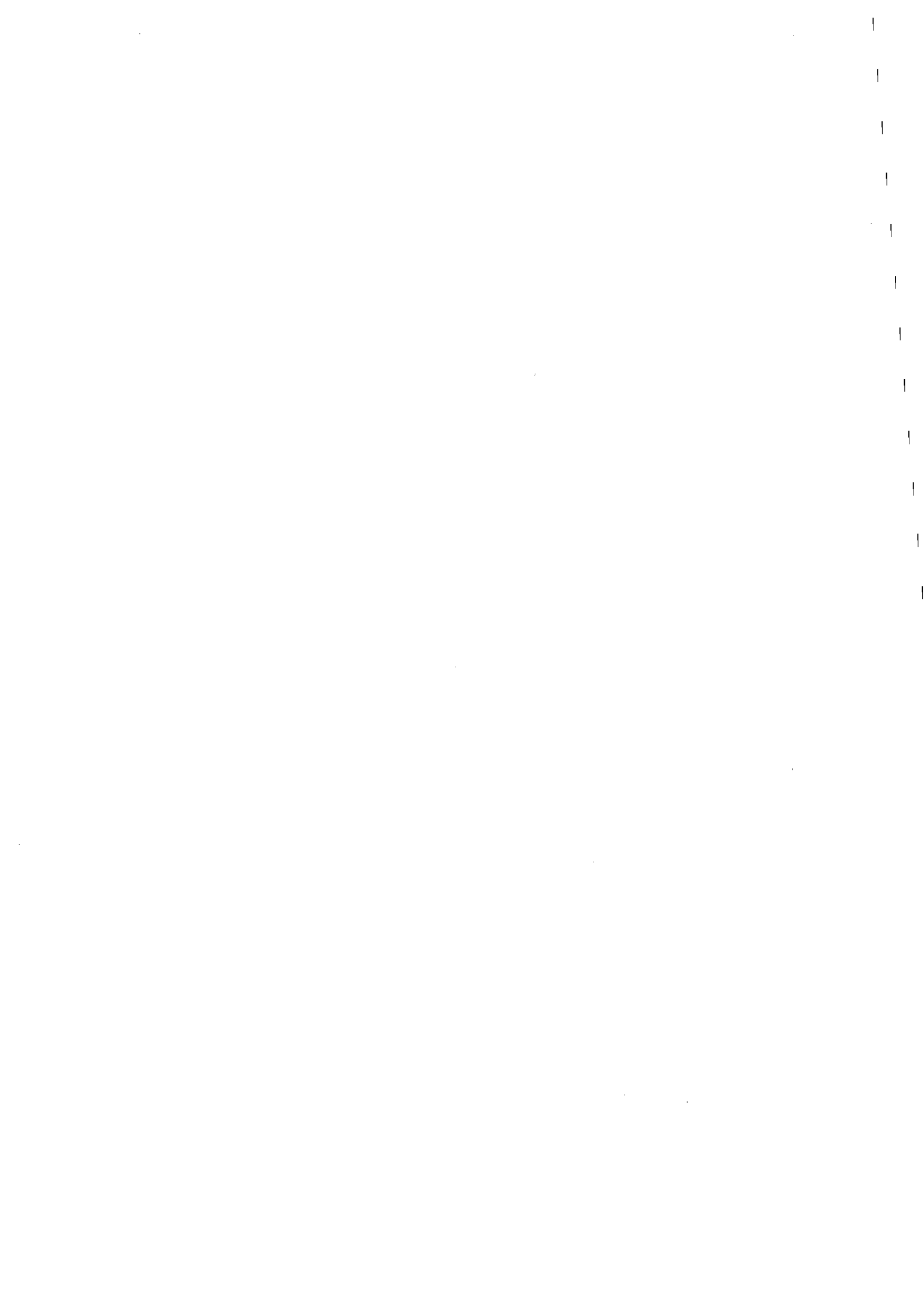


No. 8 of 1993.

*State Services and Statutory Authorities Superannuation Fund  
(Amendment) Act 1993.*

Certified on : 21 APRIL 1993



INDEPENDENT STATE OF PAPUA NEW GUINEA.

No.            of 1993.

*State Services and Statutory Authorities Superannuation  
Fund (Amendment) Act 1993.*

ARRANGEMENT OF SECTIONS.

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2. Compliance with Constitutional requirements.
3. Interpretation (Amendment of Section 1).
4. Approved authorities (Amendment of Section 2).
5. Repeal and replacement of heading to Part II.

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6. Establishment of the Board (Amendment of Section 3).
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**"4. CONSTITUTION OF THE BOARD."**

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**"5. CHAIRMAN OF THE BOARD."**

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10. Meetings of the Board (Amendment of Section 10).
11. Delegation (Amendment of Section 11).
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**"12. STAFF OF THE BOARD."**

13. Functions of the Board (Amendment of Section 13).
14. Repeal of Section 14.
15. Repeal and replacement of heading to Part III.

**"PART III. - PUBLIC OFFICERS SUPERANNUATION FUND."**

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17. New Section 16A.

**"16A. TRANSFER OF RETIREMENT BENEFITS FUND."**

18. Payments to be paid from the Fund (Amendment of Section 17).
19. Repeal and replacement of Section 18.

**"18. INVESTMENT OF THE FUND."**

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**"19A. BONUSES."**

- 21. Accounts and records (Amendment of Section 21).
- 22. Reports and financial statements (Amendment of Section 25).
- 23. Contributors (Amendment of Section 26).
- 24. Repeal and replacement of Section 29.

**"29. DEDUCTIONS OF CONTRIBUTIONS, ETC.,"**

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- 26. Eligibility for Retirement Benefit (Amendment of Section 36).
- 27. New Section 36A.

**"36A. PROCEDURE ON PRIVATIZATION OF APPROVED AUTHORITY."**

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- 29. Benefits upon resignation (Amendment of Section 38).
- 30. Insurance (Amendment of Section 41).
- 31. Payment of pensions (Amendment of Section 43).
- 32. Repeal and replacement of Section 45.

**"45. SUBSEQUENT EMPLOYMENT OF A PENSIONER."**

- 33. New Part VIIA.

**"PART VIIA - VESTED BENEFITS IN RESPECT OF NON-CONTRIBUTORY PENSIONS PAYABLE BY THE STATE IN CERTAIN PUBLIC AUTHORITIES."**

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- 34. Advances from the fund to purchase a dwelling house, etc., (Amendment of Section 46).
- 35. New Section 52A.

**"52A. COMPLIANCE WITH CONSTITUTIONAL REQUIREMENTS."**

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**"52B. INSPECTORS."**

- 37. New Section 52C.

**"52C. OFFENCES."**

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**"PART XI. - TRANSITIONAL."**

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INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 1993..

AN ACT

entitled

*State Services and Statutory Authorities Superannuation  
Fund (Amendment) Act 1993,*

Being an Act to amend the *State Services and Statutory Authorities  
Superannuation Fund Act 1990,*

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. AMENDMENT OF SHORT TITLE.

The Short Title of the Principal Act is repealed and is replaced with the following:-

*"Public Officers Superannuation Fund Act 1990."*

2. 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 -

- (a) the right to freedom from arbitrary search and entry conferred by Section 44 of the *Constitution*; and
- (b) 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.

3. INTERPRETATION (AMENDMENT OF SECTION 1).

Section 1 of the Principal Act is amended -

- (a) by repealing the definition of "actuary" and replacing it with the following:-

"'Actuary' means the Actuary appointed under Section 12;";  
and

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

"'age of retirement' means -

- (a) in the case of a contributor who is a member of the Police Force or Correctional Service or Fire Service - the age of 50 years or, at the option of the contributor, after the completion of 20 years' service; or

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(b) in the case of any other contributor - the age of 55 years or, at the option of the contributor, after completion of 25 years' service;"; and

(c) by repealing the definition of "approved authority", and replacing it with the following:-

"'approved authority' means a public authority or any body (whether established by statute or otherwise) (except the National Provident Fund) declared to be an approved authority under Section 2;"; and

(d) in the definition of "the Board", by adding the following:-  
"and after the coming into operation of Section 6 of the *State Services and Statutory Authorities Superannuation Fund (Amendment) Act 1993* means the Public Officers Superannuation Fund Board;"; and

(e) by repealing the definition of "contributors representative" and replacing it with the following:-

"'contributors' representative' means a member of the Board appointed under Section 4(1)(c);"; and

(f) by repealing the definition of "contributory service" and replacing it with the following:-

"'contributory service' means the period from the date on which a person became a contributor until the date on which he ceases to be a contributor, less any period not counted as contributory service under Section 30;

(g) by repealing the definition of "Controller"; and

(h) by repealing the definition of "dependant" and replacing it with the following:-

"'dependant', in relation to a contributor or pensioner or a deceased contributor or pensioner, means -

(a) a spouse; and

(b) a child under the age of 18 years who is wholly dependent on and maintained by the contributor or pensioner; and

(c) a relative who is wholly dependent on and maintained by the contributor or pensioner in such circumstances that, in the opinion of the Board, he should be regarded as being a dependant of the contributor or pensioner;"; and

(i) in the definition of "the former Fund", by adding the following:-

"and the Fund established under Section 13(1) of the *Retirement Benefits Fund Act* (Chapter 70);"

(j) in the definition of "the Fund", by adding the following:-

"and after the coming into operation of Section 16 of the *State Services and Statutory Authorities Superannuation Fund (Amendment) Act 1993* means the Public Officers Superannuation Fund; and

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- (k) by inserting after the definition of "government charges" the following definition:-

"'inspector' means an inspector appointed under Section 52B;"; and

- (l) by inserting after the definition of "insurance" the following definition:-

"'Investment Committee' means the Investment Committee appointed under Section 12A;"; and

- (m) by repealing the definition of "investment panel"; and

- (n) by repealing the definition of "pensioner" and replacing it with the following:-

"'pensioner' means a person in receipt of pension under this Act;"; and

- (o) by inserting after the definition of "pensioner" the following:-

"'public authority' means any authority, body or instrumentality (corporate or unincorporate) established by or under an Act or a Constitutional law other than a body, authority or instrumentality incorporated under the *Companies Act* (Chapter 146);"; and

- (p) by inserting after the definition of "retrenchment" the following:-

"'Retirement Benefits Fund' means the Retirement Benefits Fund established under the *Retirement Benefits Act* (Chapter 70) (*Repealed*);".

**4. APPROVED AUTHORITIES (AMENDMENT OF SECTION 2).**

Section 2(1) of the Principal Act is amended by repealing the words "statutory authority" and replacing them with the following:-

"public authority".

**5. REPEAL AND REPLACEMENT OF HEADING TO PART II.**

The heading to Part II is repealed and is replaced with the following:-

**"PART II - PUBLIC OFFICERS SUPERANNUATION FUND BOARD."**

**6. ESTABLISHMENT OF THE BOARD (AMENDMENT OF SECTION 3).**

Section 3 of the Principal Act is amended -

- (a) in Subsection (2), by adding the following paragraphs:-

"(d) may acquire, hold and dispose of property; and  
(e) may sue and be sued in its corporate name"; and

- (b) by adding the following subsection:-

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"(4) On and from the date of the coming into operation of Section 6 of the *State Services and Statutory Authorities Superannuation Fund (Amendment) Act 1993*, the name of the State Services and Statutory Authorities Superannuation Fund Board shall be changed to the Public Officers Superannuation Fund Board."

**7. REPEAL AND REPLACEMENT OF SECTION 4.**

Section 4 of the Principal Act is repealed and is replaced with the following:-

**\*4. CONSTITUTION OF THE BOARD.**

- (1) The Board shall consist of -
- (a) the Managing Director, *ex officio*; and
  - (b) three representatives of the State being -
    - (i) the Departmental Head of the Department responsible for finance and planning matters, or his nominee; and
    - (ii) the Departmental Head of the Department responsible for personnel management matters, or his nominee; and
    - (iii) a person to represent approved authorities; and
  - (c) three representatives of the contributors of whom -
    - (i) one shall be nominated by the Police Association; and
    - (ii) one shall be nominated by the Public Employees Association; and
    - (iii) one shall be nominated by the Teachers Association.

"(2) The members of the Board referred to in Subsection (1)(b)(iii) and (c) -

- (a) shall be appointed by the Minister by notice in the National Gazette; and
- (b) subject to Section 7, shall be appointed for a term of three years; and
- (c) are eligible for re-appointment.

"(3) A nominee under Subsection (1)(b)(i) or (ii) shall be an officer of the Public Service.

"(4) The members of the Board are Trustees of the Fund and upon taking office each member of the Board shall -

- (a) sign a Trust Deed in a form determined by the Minister which shall make each member of the Board individually and jointly responsible for the proper management of the Fund; and
- (b) a Declaration of Office in Form 1."

**8. REPEAL AND REPLACEMENT OF SECTION 5.**

Section 5 of the Principal Act is repealed and is replaced with the following:-

**\*5. CHAIRMAN OF THE BOARD.**

The member of the Board under Section 4(1)(b)(i) shall be the Chairman of the Board and in his absence the member of the Board under Section 4(1)(b)(ii) shall act as Chairman."



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9. **REMUNERATION OF MEMBERS (AMENDMENT OF SECTION 9).**

Section 9 of the Principal Act is amended by repealing the words "as the Controller determines" and replacing them with the following:-

"as the Minister, subject to the *Salaries and Conditions Monitoring Committee Act 1988*, determines."

10. **MEETINGS OF THE BOARD (AMENDMENT OF SECTION 10).**

Section 10(5) of the Principal Act is amended -

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

"the Minister"; and

(b) by repealing Subsection (5) and replacing it with the following:-

"(5) At a meeting of the Board -

- (a) four members, comprising any two of the members appointed under Section 4(1)(b) and any other two members, are a quorum; and
- (b) all matters before the meeting shall be determined in accordance with the majority of votes; and
- (c) the Chairman, or where the Chairman is not present or presiding, the Acting Chairman, shall have a deliberative and in the event of an equality of votes, also a casting vote."

11. **DELEGATION (AMENDMENT OF SECTION 11).**

Section 11 of the Principal Act is amended by repealing the words "subject to the approval of the Controller,".

12. **REPEAL AND REPLACEMENT OF SECTION 12.**

Section 12 of the Principal Act is repealed and is replaced with the following:-

**"12. STAFF OF THE BOARD.**

(1) The Board shall -

- (a) recommend to the Minister a suitably qualified person to be appointed Managing Director of the Fund; and
- (b) appoint a suitably qualified person to be Secretary to the Board.

(2) The Managing Director shall appoint such other staff as the Board considers necessary to administer the Fund.

(3) The persons appointed under Subsections (1) and (2) shall constitute the Staff of the Fund and the Managing Director shall be the Head of the Staff.

(4) The Board shall appoint, on a full-time or part-time basis as a member of the Staff or otherwise on a consultancy basis, as the Board considers appropriate, a suitably qualified person to be the Actuary to the Board.

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"(5) The terms and conditions of employment of -  
(a) the Managing Director - shall be fixed by the  
Minister; and  
(b) the Secretary, Staff and Actuary - shall be fixed  
by the Board,  
subject to the *Salaries and Conditions Monitoring Committee Act*  
1988.

"(6) The Board may, as it considers necessary, in accordance  
with the tendering procedures set out in the *Public Finances*  
*(Management) Act* 1986, appoint consultants to advise the Board  
in relation to the management of the Fund."

13. **FUNCTIONS OF THE BOARD (AMENDMENT OF SECTION 13).**

Section 13 of the Principal Act is amended by repealing the words  
"subject to any directions from the controller".

14. **REPEAL OF SECTION 14.**

Section 14 of the Principal Act is repealed.

15. **REPEAL AND REPLACEMENT OF HEADING TO PART III.**

The heading to Part III of the Principal Act is repealed and is replaced  
with the following:-

**"PART III. - PUBLIC OFFICERS SUPERANNUATION FUND."**

16. **ESTABLISHMENT OF THE FUND (AMENDMENT OF SECTION 15).**

Section 15 of the Principal Act is amended -

(a) by inserting after Subsection (1) the following:-

"(1A) On and from the date of the coming into  
operation of Section 16 of the *State Services and*  
*Statutory Authorities Superannuation Fund*  
*(Amendment) Act* 1993 the name of the State Services and  
Statutory Authorities Fund shall be changed to the Public  
Officers Superannuation Fund."; and

(b) in Subsection (2), by adding the following paragraph:-

"(h) the assets of the Retirement Benefits Fund  
transferred under Section 16A."

17. **NEW SECTION 16A.**

The Principal Act is amended by inserting after Section 16 the following  
new section:-

**"16A. TRANSFER OF RETIREMENT BENEFITS FUND.**

The Retirement Benefits Fund is deemed to have been  
transferred to the Fund as at 1 January 1991 to be dealt with in  
accordance with this Act."

18. **PAYMENTS TO BE PAID FROM THE FUND (AMENDMENT OF SECTION 17).**

Section 17 of the Principal Act is amended -

(a) by repealing Paragraph (f) and replacing it with the  
following:-

"(f) any pensions and other liabilities payable out of  
the former Fund and the Retirement Benefits Fund; and  
(g) any other payments necessary to give effect to this  
Act."; and

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(b) by adding the following subsection:-

"(2) Any moneys payable under this Act, which are not claimed by the person to whom they are payable, shall be retained in the Fund."

**19. REPEAL AND REPLACEMENT OF SECTION 18.**

Section 18 of the Principal Act is repealed and is replaced with the following:-

**"18. INVESTMENT OF THE FUND.**

The Board shall, in accordance with -

(a) the advice of the Minister; and

(b) any investment guidelines issued by the Minister concerning investment of superannuation funds,

formulate an investment policy whereby funds are invested to yield a satisfactory rate of interest, subject to maintaining the value of the contributors' moneys and crediting to each contributor's account a minimum rate of interest no less than that paid by the former Fund for the period of five years ending on 31 December 1990, and subject to meeting the liability of the Fund in respect of the payment of lump sum and pension benefits within the prescribed time limit."

**20. NEW SECTION 19A.**

The Principal Act is amended by inserting after Section 19 the following new section:-

**"19A. BONUSES.**

The Board may from time to time declare that a bonus will be paid *pro rata* to each contributor's account in respect of any surpluses or realised capital gains approved by the Board after considering recommendations made by the Actuary."

**21. ACCOUNTS AND RECORDS (AMENDMENT OF SECTION 21).**

Section 21 of the Principal Act is amended by repealing the words "in a manner approved by the Controller".

**22. REPORTS AND FINANCIAL STATEMENTS (AMENDMENT OF SECTION 25).**

Section 25(2)(e) of the Principal Act is repealed.

**23. CONTRIBUTORS (AMENDMENT OF SECTION 26).**

Section 26 of the Principal Act is amended -

(a) in Subsection (1), by repealing the words and figures "Subject to Subsections (2) and (3), the following persons shall contribute to the Fund upon the completion of three months" and replacing them with the following:-

"Subject to Subsections (2), (3) and (4), the following persons shall contribute to the Fund upon the completion of 12 months"; and

(b) by adding the following subsection:-

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"(4) A person who -  
(a) is employed by an employer on a non-permanent basis; and  
(b) has completed 12 months continuous service with that employer,  
may, within 14 days of the completion of that continuous service, but not thereafter, opt whether or not to contribute to the Fund, and where he opts to contribute shall be a contributor as from the date of the option."

**24. REPEAL AND REPLACEMENT OF SECTION 29.**

Section 29 of the Principal Act is repealed and is replaced with the following:-

**"29. DEDUCTION OF CONTRIBUTIONS, ETC.,**

(1) The contributions of a contributor shall be deducted from his salary by the employer at the time of payment and paid by the employer to the Fund within seven days.

"(2) Where the whole or part of a contribution is not deducted from salary in accordance with Subsection (1), the arrears shall be -

(a) paid by the contributor; and  
(b) where the amount exceeds K100.00, deducted by the employer from any salary subsequently paid to the contributor and paid by the employer in such amounts and during such periods as the Board determines, and the Board may add interest to any arrears of payments.

"(3) Where an employer fails to make a payment to the Fund -  
(a) in accordance with Subsection (1); or  
(b) in accordance with Subsection (2)(b),  
within 30 days of the due date of payment, the Board may issue to the employer a First Notice specifying the amount of payment due and the date on which it was due.

"(4) Where the amount of payment specified in a First Notice issued under Subsection (3) remains unpaid in full by the employer after the expiry of 60 days from the date of issue of the First Notice, the Board may issue to the employer a Second Notice requiring payment of the payment or balance due as specified in the notice.

"(5) Where the amount of payment or balance specified in a Second Notice under Subsection (4) remains unpaid in full by the employer after the expiry of 30 days from the date of issue of the Second Notice, the Board may add further penalty interest at a rate of 2% to the amount of payment or balance outstanding (such penalty interest to run from the date on which fell due the contribution of which the amount of payment or balance forms part) and shall issue a Third Notice requiring payment of the amount or balance due together with interest and penalty interest as specified in the notice."

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25. **DETERMINATION IN RESPECT OF NET ASSETS OF FORMER FUND AND STATE LIABILITY IN RESPECT OF FORMER FUND, ETC., (AMENDMENT OF SECTION 35).**  
Section 35 of the Principal Act is amended -

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

"(b) an amount equal to the liabilities determined under Subsection (1)(b) shall be paid by the State into the Fund;" and

(b) by adding the following new subsections:-

"(6) The State liability defined in Subsection (5) shall be payable into the Fund."

26. **ELIGIBILITY FOR RETIREMENT BENEFIT (AMENDMENT OF SECTION 36).**  
Section 36(b) of the Principal Act is repealed.

27. **NEW SECTION 36A.**

The Principal Act is amended by inserting after Section 36 the following new section:-

**"36A. PROCEDURE ON PRIVATIZATION OF APPROVED AUTHORITY.**

(1) Subject to Subsection (2), where a contributor is an officer or employee of an approved authority which is privatized, the value of the contributor's account as at the date of privatization plus the value of State benefit shall be transferred to the superannuation fund of the new employer in accordance with a time schedule determined by the Minister on the recommendation of the Board.

"(2) A transfer of benefit under Subsection (1) shall not be effected in such a way as to reduce the benefit which would otherwise be due to the contributor.

"(3) For the purposes of Subsection (1), "new employer", in relation to a contributor, means the person who has taken over the approved authority or that part of the approved authority in which the contributor is employed, and who employs the contributor."

28. **BENEFIT ON RETIREMENT (AMENDMENT OF SECTION 37).**  
Section 37 of the Principal Act is amended -

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

"(a)  $(A + C) + \frac{(A + C) \times 7}{5} + T$ "; and

(b) by repealing Subsection (3) and replacing it with the following:-

"(3) The -  
(a) State shall be responsible for the funding; and  
(b) Fund shall be responsible for the payment, of all pensions and, where the contributor exercises the option in Subsection (2)(a), the State shall pay the accumulated lump sum into the Fund." and

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(c) by repealing Subsection (4) and replacing it with the following:-

"(4) Where the contributor exercises the option in Subsection (2)(b) the relevant portion of the lump sum shall be paid by the approved authority into the Fund and the State shall pay the part pension into the Fund."; and

(d) by repealing Subsection (5)(c) and replacing it with the following:-

"(c) a pension which shall be reviewed from time to time by the Board, after consultation with the Actuary, to adjust for inflation subject to the capacity of the Fund."; and

(e) in Subsection (6), by repealing the figures and word "12 months" and replacing them with the following:-

"3 months"; and

(f) by repealing Subsection (7).

**29. BENEFITS UPON RESIGNATION (AMENDMENT OF SECTION 38).**

Section 38 of the Principal Act is amended -

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

"(b) an employer benefit equal to -

$$\frac{7 \times B \times F}{5}$$

where B is the lump sum calculated under Subsection (1)(a) and F is a percentage factor determined by period of contributory service under the Fund as follows:-

<u>Years of Contributory Service Under the former Funds and/or the Fund as follows:-</u>	<u>Value of Factor F</u>
Less than 5 years	25%
5 years but less than 8 years	50%
8 years but less than 12 years	75%
12 years but less than 15 years	85%
15 years or more	100%"; and

(b) in Subsection (2), by repealing the words and figures "shall be paid in accordance with Section 37(2)(b)" and replacing them with the following:-

"may opt to be paid in accordance with Section 37(2)(b)."; and

(c) in Subsection (3), by repealing the figures and word "12 months" and replacing them with the following:-

"3 months"; and

(d) by repealing Subsection (5).

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30. **INSURANCE (AMENDMENT OF SECTION 41).**

Section 41 of the Principal Act is amended -

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

"(1) The Board shall make arrangements to provide Group Life and Invalidity Insurance for its contributors.;" and

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

"(2) The insurance shall be a lump sum benefit payable on the death of the contributor on the following scale:-

100% of annual salary plus 10% of salary for each complete year of potential service from the date of death to the date when the deceased would have attained the age of 50 years, subject to a maximum benefit of -

(a) three times the annual salary; or

(b) K50,000.00,

whichever is the lesser amount, provided that the benefit payable shall not be less than K15,000.00.;" and

(c) by adding the following new subsection:-

"(6) The Board may, at its discretion, arrange for health care and education fees insurance on behalf of contributors on terms approved by the Actuary."

31. **PAYMENT OF PENSIONS (AMENDMENT OF SECTION 43).**

Section 43 of the Principal Act is amended -

(a) by repealing the word "State" (thrice occurring) and replacing it in each case with the following:-

"Board"; and

(b) by adding the following subsection:-

"(2) The Board may, from time to time, review the amount of each pension payable in accordance with -

(a) this Act; and

(b) the former Act; and

(c) the *Retirement Benefits Act* (Chapter 70) (*repealed*).

32. **REPEAL AND REPLACEMENT OF SECTION 45.**

Section 45 of the Principal Act is repealed and is replaced with the following:-

**\*45. SUBSEQUENT EMPLOYMENT OF A PENSIONER.**

Where a person in receipt of pension under Section 44 is subsequently gainfully employed by an approved authority, that person in receipt of pension may opt to contribute to the Fund and there shall be no reduction in that pension while he is a contributor under this section."

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33. **NEW PART VIIA.**

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

**"PART VIIA - VESTED BENEFITS IN RESPECT OF NON-CONTRIBUTORY  
PENSIONS PAYABLE BY THE STATE IN CERTAIN PUBLIC  
AUTHORITIES.**

**"45A. VESTED BENEFITS IN RESPECT OF NON-CONTRIBUTORY PENSIONS  
PAYABLE BY THE STATE IN CERTAIN PUBLIC AUTHORITIES.**

(1) A contributor who, immediately prior to becoming a contributor -

(a) was an officer or employee of a public authority; and

(b) by virtue of an Act or of an industrial agreement in force at that time was entitled to a non-contributory pension on retirement,

shall be entitled to a retirement pension in respect of that non-contributory service to be calculated in accordance with and subject to the conditions under this section.

"(2) Upon -

(a) retiring on attaining the age of 55 years; or

(b) being retired early due to incapacity; or

(c) attaining 20 years or more total service,

the retirement pension shall be actuarially determined by the Board on the basis of the contributor's prior non-contributory service and 25% of the contributor's final salary at retirement.

"(3) The retirement pension so calculated shall be treated in every respect as pension earned under Section 37 and shall be added to pension earned under Section 37.

"(4) The State shall pay to the Fund an actuarially calculated lump sum in respect of any pension payable under this Section."

34. **ADVANCES FROM THE FUND TO PURCHASE A DWELLING HOUSE, ETC., (AMENDMENT OF SECTION 46).**

Section 46 of the Principal Act is amended -

(a) in the heading, by repealing the words "PURCHASE A DWELLING HOUSE, ETC.," and replacing them with the following:-

"PURCHASE, ETC., A DWELLING HOUSE."; and

(b) in Subsection (1), by repealing the words "amount not exceeding" and replacing them with the following;-

"amount, subject to the availability of funds, not exceeding"; and

(c) by inserting after Subsection (2) the following new subsections:-

"(2A) 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



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(b) interest shall be payable to the Fund on the outstanding balance from time to time at the Fund's earning interest rate.

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

**35. NEW SECTION 52A.**

The Principal Act is amended by inserting after Section 52 the following new section:-

**"52A. COMPLIANCE WITH CONSTITUTIONAL REQUIREMENTS.**

This Act, to the extent that it regulates or restricts a right or freedom conferred by Subdivision III.3.C. of the *Constitution (Qualified Rights)*, namely -

- (a) the right to freedom from arbitrary search and entry conferred by Section 44 of the *Constitution*; and
- (b) 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."

**36. NEW SECTION 52B.**

The principal Act is amended by inserting after Section 52A the following new section:-

**"52B. INSPECTORS.**

(1) The Minister may, by notice in the National Gazette, appoint members of the staff of the Board to be inspectors for the purposes of this Act.

"(2) For the purposes of -

- (a) inquiring into the correctness of any information furnished in compliance with the provisions of this Act; or
- (b) ascertaining whether the provisions of this Act have been or are being complied with; or
- (c) ascertaining whether the provisions of this Act are applicable to any person,

an inspector may require an employer or a contributor to produce or furnish to him such information as the inspector considers relevant."

**37. NEW SECTION 52C.**

The Principal Act is amended by inserting after Section 52B the following new section:-

**"52C. OFFENCES.**

(1) A person who -

- (a) for any purpose connected with this Act -
  - (i) knowingly makes a false statement; or
  - (ii) produces or furnishes or causes to be produced or furnished any document which he knows to be false in a material particular; or

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- (b) being an employer, fails to pay to the Fund, within such period as may be prescribed, any amount which he is liable to pay under this Act in respect of or on behalf of any employee in any month; or
- (c) obstructs any inspector or member of the staff of the Board in the discharge of his functions as such; or
- (d) fails to comply with any Regulations made under this Act; or
- (e) fails to transfer to the Fund any sum which he is required to transfer to it by virtue of Section 45 or 48 within such time as he is required by that section or to transfer it; or
- (f) fails to comply with any other requirements of this Act,

is guilty of an offence.

Penalty: For the first offence - a fine not exceeding K1000 or imprisonment for a term not exceeding one year.

For a second or subsequent offence - a fine not exceeding K2000 or imprisonment for a term not exceeding two years.

Default Penalty: A fine not exceeding K100.00.

"(2) Where a corporation does any act or makes any omission that is an offence under this Act, every person who at the time of the act or omission was a director or member of the governing body of the corporation or was concerned in the management of the corporation and who authorised or knowingly permitted the act or omission, shall, for the purposes of this Act, be deemed to have committed the offence.

"(3) Where a person is convicted of an offence under Section 56(b), the court may, in addition to any sentence of fine or imprisonment, order him to pay to the Fund the amount in respect of non-payment of which he was convicted.

"(4) No suit or other legal proceedings shall lie against an inspector or other person in respect of anything which is in good faith done or intended to be done under this Act."

**38. NEW PART XI.**

The Principal Act is amended by adding the following new Part:-

**"PART XI. - TRANSITIONAL.**

**"55. TRANSFER OF ASSETS, ETC., TO THE BOARD.**

All assets and undertakings which, immediately prior to 1 January 1991, were held by or vested in the Public Officers Superannuation Board established under the former Act, and all obligations and liabilities of the Public Officers Superannuation Board immediately prior to 1 January 1991, are deemed to have been transferred to the Board on 1 January 1991.

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**\*56. SAVING OF CONTRACTS, ETC.,**

All contracts and agreements entered into, made with or addressed to the Public Officers Superannuation Board established under the former Act, are, to the extent that they were immediately prior to 1 January 1991, binding on and of full force and effect against or in favour of the Public Officers Superannuation Board, binding on and of full force and effect against or in favour of the Board as fully and effectively as if the Board had been a party to them or entitled to the benefit of them.

**\*57. ACTIONS, ETC., NOT TO ABATE.**

Where, immediately prior to 1 January 1991, any action, arbitration or proceeding was pending or existing by, against or in favour of the Public Officers Superannuation Board established under the former Act, it did not, on 1 January 1991 abate or discontinue or be in any way affected by the provisions of this Act, but it may be prosecuted, continued and enforced by, against or in favour of the Board.

**39. SCHEDULE.**

The Principal Act is amended by adding the following Schedule:-

**"SCHEDULE .**

Sec. 4(4)(b)

Declaration of Office.

I, -----, declare that I will well and truly serve the Independent State of Papua New Guinea and its peoples in the Office of member of the Public Officers Superannuation Fund Board.

-----".

I hereby certify that the above is a fair print of the *State Services and Statutory Authorities Superannuation Fund (Amendment) Act 1993* which has been made by the National Parliament.

Clerk of the National Parliament.

I hereby certify that the *State Services and Statutory Authorities Superannuation Fund (Amendment) Act 1993* was made by the National Parliament on 17 March 1993 by an absolute majority in accordance with the Constitution.

Speaker of the National Parliament.

