



SAMOA

## GOVERNMENT SUPERANNUATION ACT 1972

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## GOVERNMENT SUPERANNUATION ACT 1972

1972

No.4

**AN ACT** to provide for the administration of the Government Superannuation Scheme by the Samoa National Provident Fund Board.

*[Assent and commencement date: 17 July 1972]*

**1. Short title** – This Act may be cited as the Government Superannuation Act 1972.

**2. Provisions of National Provident Fund Act 1972 to apply to this Act** – (1) Words and expressions used in this Act, unless the contrary intention appears, have the same meaning as in the National Provident Fund Act 1972 (hereinafter referred to as the “principal Act”), and the provisions of the principal Act, except as specified in subsection (2) or otherwise, so far as may be applicable, shall extend and apply to the cases provided for by this Act in as full and ample a manner as if this Act had been incorporated with and formed part of the principal Act.

(2) Sections 19, 40, 42(1) (b), (d), (e), (f), (i), and (j), 41(2), 43, 45, 46, 47 and 53 and Parts VI, X, and XI of the principal Act do not apply to this Act.

**3. Interpretation and application – (1)** In this Act, “Government Superannuation Scheme”:

- (a) means the Samoa Superannuation Scheme which was formerly established within the New Zealand Government National Provident Fund to provide superannuation benefits for employees of the Government of Samoa, employees of the Samoa Trust Estates Corporation and the employees of the Bank of Samoa; and
  - (b) includes the accounts within the New Zealand Government National Provident Fund to which the contributions of the employees, the subsidies of their respective employers and the income arising from the investment of such contributions and subsidies together with a reserve accounts as may have been created, whether from distributions of income, forfeiture of subsidies, or interest or otherwise howsoever.
- (2) This Act comes into force on a date to be specified by the Minister in the *Savali*.
- (3) Subject to subsection (2), this Act applies to:
- (a) such of those employees who are contributors to the Government Superannuation Scheme at the date of commencement of this Act; and
  - (b) those persons who subsequently become employees of the Government of Samoa or of such of its associated bodies or instrumentalities as may be agreed between the Board and any such body or instrumentality that this Act shall be applicable in its respect.
- (4) This Act does not apply to an employee (not being an employee who is a contributor to the Government Superannuation Scheme at the date of the commencement of this Act) if:
- (a) the employee so elects on registration of the employee by his or her employer at the commencement of this Act or on the employee

subsequently becoming eligible under the preceding subsection;

(b) the employee is engaged on a temporary or casual basis or as a labourer;

(c) Part XI of the Principal Act applies in respect of the employee;

(d) the employee has ceased to be employed by any employer to whom this Act applies:

**PROVIDED THAT** in respect of an employee of the Bank of Samoa who is a contributor to the Government Superannuation Scheme at the date of commencement of this Act the employee may within 24 months from and after the date of commencement of this Act elect to cease to be a member of the Government Superannuation Scheme.

**4. – 14.** *Repealed by s10 of Act 1992/1993, No.6*

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

**16. Closure to new contributors** – With effect from 1 July 1993 the Board shall not admit any new contributor as a member under the provisions of this Act.

**17. Cessation of contributions** – With effect from 1 July 1993, all contributions payable by or on behalf of an employee under section 5 cease.

**18. Contributor's transfer balance – (1)** In respect of each contributor to whom this Act applies as at 30 June 1993 the Board shall determine an amount calculated in accordance with the provisions of the Schedule and representing the value of the benefits accrued in respect of such contributor up to 30 June 1993 under the provisions of this Act and, subject to subsection (2), the amount so determined shall be credited to an account in the name of the contributor in the National Provident Fund as at 30 June 1993.

**(2)** With effect from 1 July 1993 the liability of the Government Superannuation Fund in respect of such contributor

shall cease.

**19. Payment of benefits** – With effect from 1 July 1993, a pension payable as at 30 June 1993 under this Act shall from 1 July 1993 be payable from the Pension Reserve Account of the National Provident Fund under section 27 of the principal Act and the liability of the Government Superannuation Fund in respect of such pension ceases.

**20. Dissolution of separate funds** – (1) The separate funds held within the National Provident Fund under section 7 of the principal Act in respect of the Government Superannuation Fund shall be dissolved from 1 July 1993.

(2) The sum of the amounts determined under section 18(1) in respect of all contributors shall with effect from 30 June 1993 form part of the general funds of the National Provident Fund.

(3) An amount being the difference between:

(a) the sum of the Government Superannuation Fund Contribution Account and the Government Superannuation Fund Reserve Account determined as at 30 June 1993; and

(b) the sum of the contributors' transfer balances determined in accordance with the provisions of subsection (2), –

shall form part of the Pension Reserve Account of the National Provident Fund as provided for in section 27(1) of the principal Act.

**21. Transfer of members** – With effect from 1 July 1993 all contributors for whom an amount has been determined under section 18 cease to be members of the Government Superannuation Fund and become subject to the principal Act.

**22. Loan balances** – Any amount outstanding under a loan granted under the provisions of section 21 as at 30 June 1993 in respect of a contributor shall from 1 July 1993 be repayable on such terms and conditions as the Board may determine for this purpose under section 38(2) of the principal Act.

## SCHEDULE

### **CALCULATION OF TRANSFER BALANCES**

The basis for the calculation of contributors' transfer balances for the purpose of section 18(1) is as follows:

**1. Contributors under age 55 on 30 June 1993 –**

In respect of each contributor, the transfer balance will be the greater of:

- (i) The amount calculated in accordance with the formula:

$$P \times PV \times \$10.31 \times YCM/YPM$$

where

\$10.31 = the pension conversion factor, being the expected capitalised value of a pension of \$1.00 per annum payable from age 55;

PV = the discount factor for the period from 30<sup>th</sup> June 1993 to the contributor's 55th birthday allowing for interest at 8% per annum;

P = the projected annual pension at age 55, being calculated in accordance with the formula:

(a)  $2/105 \times FAS \times YPM$  less if, (a) is greater than \$2,000 per annum.

(b)  $0.25 \times (a) - \$500$ .

FAS = the projected final average annual salary at age 55 projecting future salary increases at the rate of 6% per annum; and

YCM = the years of membership that would have been completed at 30<sup>th</sup> June 1993, with parts of a year counting proportionately.

YPM = the potential years of membership that would have been completed on the contributor's 55th birthday, with parts of a year counting proportionately.

- (ii) Twice the contributor's own contributions to the Fund.

**2. Contributors aged 55 or more on 30<sup>th</sup> June 1993** – In respect of each contributor, the transfer balance will be calculated in accordance with the formula:

$P \times \$10.31$   
where

$P$  = The annual pension the contributor would have received if retirement took place on 30<sup>th</sup> June 1993; and

$\$10.31$  = The pension conversion factor as given in paragraph 1 of this Schedule.

(sections 16-22 and the Schedule added by Act 1992/1993, No.6)

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#### **REVISION NOTES 2008 – 2017**

This is the official version of this Act as at 31 December 2017.

This Act has been revised by the Legislative Drafting Division from 2008 to 2017 respectively under the authority of the Attorney General given under the *Revision and Publication of Laws Act 2008*.

The following general revisions have been made:

- (a) Amendments have been made to conform to modern drafting styles and to use modern language as applied in the laws of Samoa.
- (b) Other minor editing has been done in accordance with the lawful powers of the Attorney General, where appropriate:
  - (i) Removal of superfluous terms
    - “the provisions of”
  - (ii) “the foregoing provisions of this section” changed to the actual section/subsections
  - (iii) Section 3(1) and (3) paragraphed.

There were no amendments made to this Act since the publication of the *Consolidated and Revised Statutes of Samoa 2007*.



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