



Pensions (Budget Amendment) Bill 2017

Bill No. 21 of 2017

Introduction

The **Pensions (Budget Amendment) Bill 2017** ('Bill') seeks to **amend the *Pensions Act 1983*** ('Act'). Under this Bill the Ministry responsible is Minister for Economy.

The *Pensions Act 1983* ('Act'), among other things, provides for the regulation of pensions, gratuities and other allowances in respect of service under the Government in a civil capacity including service in the Republic of Fiji Military Forces.

Objectives, scope and intent of the Bill

The main objective of the **Pensions (Budget Amendment) Bill 2017** ('Bill') is to amend the *Pensions Act 1983* ('Act') with accordance with the 2017-2018 Budget policies.

Summary of provisions

The Bill contains 3 **clauses**.

Clause 1 - provides for the preliminary provision which includes the **short title** and commencement provisions. **Act comes into force 1 August 2017**, if passed by Parliament. In this Bill, the *Pensions Act 1983* is referred to as the "Principal Act".

Clause 2- Principal Act is amended by deleting section 10. To remove the restriction on the maximum pension grantable in respect of the officers in the civil service.

Deleting

10(1) Except in cases provided for by subsection (2), a Pension granted to an officer under this Part shall not exceed two-thirds of the highest pensionable emoluments drawn by him at any time in the course of his service under the Government of the Republic of Fiji.

(2) An officer who shall have been granted a pension in respect of other civil service shall not at any time draw from the funds of Fiji an amount of pension which, when added to the amount of any pension or pensions drawn in respect of other civil service exceeds two-thirds of the highest pensionable emoluments drawn by him at any time in the course of his civil service, provided that where an officer receives in respect of some period of civil service both a gratuity and a pension, the amount of such pension shall be deemed for the purpose of this subsection to be what it would have been if part of it had not been commuted.

(3) in a case falling under the limitation laid down by subsection (2), the amount of pension to be drawn from the funds of Fiji shall be determined with due regard to the amount of any pension or pensions to be drawn in respect of civil service.

(4) For the purposes of the preceding subsections of this section, an additional pension granted in respect of injury shall not be taken into account: but where the officer is granted such an additional pension under this Part, the amount there of together with the remainder of his pension or pensions shall not exceed five-sixths of his highest pensionable emoluments at any time in the course of his civil service.

(5) Notwithstanding the limitations of the preceding subsections of this section, the Minister may



pay to an officer entitled to pension such further allowances as he may from time to time deem fit, provided that such allowances shall not form part of an Officer's pension entitlement unless the Minister otherwise directs at the time of the introduction of such further allowances or at some later date and may be withdrawn or varied at such time as the Minister decide unless such directive has been given.

Clause 3-of the Bill amends Schedule 5 to the Act in paragraph 8(1) to remove the restriction on the maximum pension grantable in respect of soldiers.

The Minister may grant to soldier who retires having completed a minimum period of 21 years qualifying service a pension at the annual rate of 1/600th of the current pay for the rank the soldier held at the time of his retirement for each complete month of service, ~~with a maximum pension of two thirds of that current pay.~~

Gender analysis

The Bill does not appear have any disproportionate impact on women or men.

Further Information

- Pensions (Budget Amendment) Bill 2017, can be seen here:
<http://www.parliament.gov.fj/bills/> [Accessed on 04 July 2017]

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