

REPUBLIC OF NAURU

PARLIAMENTARY PENSION (AMENDMENT) NO. 2 BILL 2016

EXPLANATORY MEMORANDUM

The *Parliamentary Pension (Amendment) No. 2 Bill 2016* is a Bill for the *Parliamentary Pension (Amendment) No. 2 Act 2016*.

EXPLANATION OF CLAUSES

Clause 1 provides that, once enacted, the short title of the Bill will be the *Parliamentary Pension (Amendment) No. 2 Act 2016*.

Clause 2 sets out when the Bill's provisions will commence.

Clause 3 is the enabling provisions for the amendment of the *Parliamentary Pension Act 2008*.

Clause 4 amends section 8 of the Act by creating a new subsection (6). This new subsection deals with the entitlement to pension of those former Members of Parliament who have committed criminal offences for which the minimum penalty is more than 2 years. This amendment means that those commit such offences will no longer be entitled to a pension.

This provision is not uncommon in other jurisdictions where former parliamentarians lose their pension if they are convicted of offences. In New South Wales, Australia, the *Parliamentary Contributory Superannuation Act 1971* provides that pensions for former members will be suspended if a case is pending and then is ceased if the member gets convicted for a serious offence. In the Australian Capital Territory, Members of Parliament are also subject to the *Crimes (Superannuation Benefits) Act 1989* which deals with the forfeiture of benefits if they are convicted of corruption offences.

A similar Bill was tabled in the US House of Congress in 2007 which proposed to deprive Members of Congress from receiving a pension if they are convicted of certain crimes.

The amendment proposed by this clause exists in different forms in many other jurisdictions.