

REPUBLIC OF NAURU

NAURU SUPERANNUATION (AMENDMENT) BILL 2019

SECOND READING SPEECH

Honourable Baron Divavesi Waqa MP

14 June 2019

Mr. Speaker Sir,

I am pleased to introduce to the House today the Nauru Superannuation (Amendment) Bill 2019.

Mr Speaker, the *Nauru Superannuation Act 2018* was passed by the House and enacted last year. The Act provided for the implementation of the Nauru Super Scheme. The superannuation fund established under the Act is managed by New Zealand Super Life a leading superannuation provider in New Zealand.

The *Parliamentary Pension Act 2008* provides for a pension for a Member of Parliament who have served as a Member of Parliament for an aggregate period of nine years or more; who are not in full-time employment, or in receipt of a salary from the Republic, including State Owned Enterprises. Not all members of Parliament are entitled under the Act to a parliament pension. It is currently funded from the annual budget and managed by the Clerk of Parliament.

The Bill provides for the parliament pension fund under the *Parliamentary Pension Act 2008*, to be kept and maintained under the Nauru Super Scheme, as a separate fund from the Nauru Superannuation Fund. Therefore, both funds will be maintained separately by New Zealand Super Life, in accordance with the respective Acts.

The Bill will ensure that both the Parliament Pension Fund and the Nauru Superannuation Fund are effectively managed and administered according to the respective laws under which they have been established. This will ensure greater efficiency and no duplication in the provision of separate mechanisms for managing funds of a similar nature, be it a contribution fund or a benefit fund. The maintenance of the parliament pension fund by New Zealand Super Life, given its regulated environment and stability, will secure and preserve the integrity of the Funds.

Mr Speaker, the explanatory memorandum explains the provisions of the Bill.

I commend the Bill to the House.