

REPUBLIC OF NAURU

NAURU SUPERANNUATION BILL 2018

SECOND READING SPEECH

Honourable Baron Divavesi Waqa MP

18 December 2018

Mr. Speaker Sir,

I am pleased to introduce to the House today the Nauru Superannuation Bill 2018.

Mr Speaker, this Bill proposes the implementation of the Nauru Super Scheme. Superannuation as you may all know, is a compulsory means of saving income for retirement which is a safety net as it is money saved during a person's working life to help support a person's financial needs upon retirement. We believe in pursuing proactive and progressive policies that improve fairness and strengthen retirement incomes.

The Bill makes it mandatory for employers to pay a certain percentage of a person's income into the superannuation fund. This is in addition to salary or wages. A person can withdraw funds from the superannuation fund once he or she meets one of the conditions of release, such as reaching retirement age.

This Bill protects the integrity of the superannuation scheme by providing for checks and balances in the collection of employer and employee contributions and management of the fund. The contributions to the Nauru Super Scheme are managed by New Zealand Super Life a leading superannuation provider in New Zealand. Super Life is a well-regulated and financially stable provider.

The Government has taken a lead role by ensuring in this financial year that Nauruans take home pay are not affected or reduced whereby 10% is provided to every Nauruan employed in the Government account in Super life every pay day.

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

I commend the Bill to the House.