



REPUBLIC OF NAURU

# NAURU SUPERANNUATION BILL 2018

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No. of 2018

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A Bill for an Act to provide for a superannuation scheme for the Republic, the management, controls and penalties for non-compliance and for related purposes

Certified: [ ]

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Enacted by the Parliament of Nauru as follows:

## PART 1 – PRELIMINARY

### 1 Short Title

This Act may be cited as the *Nauru Superannuation Act 2018*.

### 2 Commencement

This Act commences on 2 January 2019.

### 3 Act binds the Republic

This Act binds the Republic.

### 4 Interpretation

In this Act:

**'benefit'** means the amount the member is entitled to upon the occurrence of certain events under Part 5;

**'Board'** means the Nauru Super Scheme Board established under section 10;

**'contribution rate'** means the contributions by the employee or employer at a rate specified in the Schedule;

**'contract of service'** means a written or oral contract, whether expressed or implied, to employ a person as an employee whether for a fixed or indefinite period which includes a task;

**'employee'** means a person whose employed under a contract of service and includes an apprentice, learner and part time work;

**'employer'** includes any person who employs one or more persons on a contract of service on payment of wages or salary including the Government of Nauru and its instrumentalities of the Republic;

**'employer contribution'** means a mandatory contribution to the Nauru Super Scheme as required by this Act, made by an employer at the contribution rate;

**'employment'** means part time or full time service with an employer under a contract of service;

**'Fund'** means the contributions paid, any additional benefits including assets for the time being:

- (a) held by or on behalf of the Trustee; and
- (b) by a managed investment scheme appointed by the Trustee,-

in the Nauru Super Scheme.

**'basic salary or wages'** means any salary or wages paid to any employee before any other benefits are included or any deductions made to the salary or wages;

**'member'** means an employee who has been eligible to become a member of the Nauru Super Scheme in accordance with the Act;

**'member contribution'** means a deduction at the contribution rate from each payment of the member's basic salary or wages by the employer;

**'Minister'** means the Minister responsible for the administration of this Act;

**'Nauru Super Scheme'** means the Superannuation Scheme established under this Act;

**'non-resident person'** means a person who is not a resident individual under section 5;

**'pay period'** in relation to an employee, means:

- (a) if the employee is paid monthly, a calendar month;
- (b) if the employee is paid fortnightly, a fortnight;
- (c) if the employee is paid weekly, a week; or
- (d) for an employee who is paid other than monthly, fortnightly or weekly, the relevant time period.

**'person'** includes an individual, a firm or body corporate;

**'Trustee'** means any person appointed to the Board of Nauru Super Scheme as Trustee under the Trust Deed;

**'Trust Deed'** means the Nauru Super Trust Deed or any amendments and other subsequent instrument which is or shall be the governing document of the Nauru Super Scheme;

**'voluntary contributions'** means any contribution to the Nauru Super Scheme other than the mandatory contribution.

## **5 Resident and non-resident individuals**

(1) For the purposes of this Act, a person is a resident:

- (a) if he or she is a Nauruan citizen; and
- (b) resides permanently in Nauru.

(2) A Nauruan citizen is deemed not to be a resident of Nauru for the purposes of this Act:

- (a) whose only permanent home is outside Nauru; and
- (b) who does not reside permanently in Nauru.

(3) Despite subsection (1), a citizen of Nauru who is an employee of the Government of Nauru posted abroad is a resident individual.