

# **Parliamentary Pensions (Amendment) Bill**

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**Bill No: 7/1995**

***Read the first time: 1st March 1995***

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## **Parliamentary Pensions (Amendment) Bill**

### **Bill No. 7/1995**

*Read the first time on 1st March 1995.*

An Act to amend the Parliamentary Pensions Act (Chapter 219 of the 1985 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

### **Short title and commencement**

1. This Act may be cited as the Parliamentary Pensions (Amendment) Act 1995 and shall be deemed to have come into operation on 1st January 1995.

### **Amendment of section 2**

2. Section 2 of the Parliamentary Pensions Act (referred to in this Act as the principal Act) is amended —

(a) by inserting, immediately before the definition of “Member”, the following definitions:

““elected Member”, “non-constituency Member” and “nominated Member” shall have the same meanings as in Article 39(1)(a), (b) and (c), respectively, of the Constitution;

“future Member” means a person —

- (a) who becomes, by election or appointment, a Member at any time after 1st January 1995 without previously having been, before or after that date, a Member or an office-holding Member;
- (b) who, having been a Member before 1st January 1995 but not being a Member on that date, becomes, by election or appointment, a Member at any time after 1st January 1995; or
- (c) who, being an elected Member on 1st January 1995, becomes —

- (i) a non-constituency Member or nominated Member at any time after 1st January 1995 with or without a break in his service as a Member; or
- (ii) an elected Member at any time after 1st January 1995 with a break in his service as a Member after that date,

and for the purposes of paragraph (c) of this definition, a Member's service shall be deemed not broken but continuous if, following the dissolution of Parliament or his seat therein becoming vacant under the provisions of the Constitution, he is elected as a Member at the ensuing general election or the ensuing by-election to fill that vacancy;"; and

- (b) by inserting, immediately after the definition of "office-holding Member", the following definition:

“ “prescribed commutation factor” and “prescribed discount rate” mean, respectively, such factor and rate as the President shall prescribe for the purposes of this Act;”.

## **New section 2A**

3. The principal Act is amended by inserting, immediately after the title to Part III, the following section:

### **“Future and Nominated Members’ eligibility for a pension**

**2A.—**(1) Unless otherwise expressly provided, a future Member shall not be eligible for any pension or gratuity under the provisions of this Act in respect of his reckonable service as a future Member, including any period which may be counted as such service by virtue of section 6.

(2) For the avoidance of doubt —

- (a) a future Member who holds any office shall remain eligible for a pension under the provisions of this Act in respect of his reckonable service in that office; and
- (b) a person who, on the date immediately before he becomes a future Member, has the minimum period of reckonable service as a Member

to be eligible for a pension under section 3 (including any period of reckonable service which may be counted by virtue of section 6), shall remain eligible for a pension under the provisions of this Act in respect of his reckonable service as a Member as of that date.

(3) Any person who on 1st January 1995 is a nominated Member shall not be eligible for a pension under the provisions of this Act in respect of his service as a Member on or after that date.”.

### **Amendment of section 6**

4. Section 6(1) of the principal Act is amended by inserting, immediately after the word “Member” in the first line, the words “(other than a future Member)”.

### **Repeal and re-enactment of section 7**

5. Section 7 of the principal Act is repealed and the following section substituted therefor:

#### **“Commutation of pensions**

7.—(1) Subject to the provisions of this Act, a person to whom a pension is granted under this Act may, at his option exercisable in accordance with this section, be paid —

- (a) in the case of a future Member who becomes an office-holding Member —
  - (i) a full pension under section 4 without any gratuity; or
  - (ii) a commuted pension gratuity without any pension,in respect of his reckonable service as a holder of any office;
- (b) in the case of a future Member who remains eligible for a pension under section 2A(2)(b), or a Member (including an office-holding Member) who is not a future Member —
  - (i) a full pension under section 3 or 4 without any gratuity;
  - (ii) a reduced pension at the rate of two-thirds ( $\frac{2}{3}$ ) of the full pension together with a gratuity equal to twelve and one-half ( $12\frac{1}{2}$ ) times the annual value of one-third ( $\frac{1}{3}$ ) of the full pension; or

- (iii) a commuted pension gratuity without any pension,  
in respect of his reckonable service as a Member (other than as a future Member) or as a holder of any office, as the case may be; or
- (c) in the case of a person who has been granted a pension under section 4 after ceasing to hold office and who becomes an office-holding Member again —
  - (i) a full pension under section 4 without any gratuity, or
  - (ii) a commuted pension gratuity without any pension,  
in respect of his further service as an office-holding Member.

(2) The option referred to in subsection (1) shall be exercisable —

- (a) separately in respect of reckonable service as a Member and as a holder of any office; and
- (b) not later than 30 days after the date when the person becomes eligible for the grant of a pension under this Act, except that if the person has not exercised an option within such time, the President may, if it appears in the circumstances equitable to do so, allow the person to exercise the option at any time prior to the date of payment of a pension or gratuity to him,

and where a person fails to exercise the option in accordance with this section, he shall be deemed to have opted to receive a commuted pension gratuity without any pension in respect of his reckonable service as a Member or as a holder of an office or both, as the case may be.

(3) Such option, once exercised by a person in respect of his reckonable service as a Member or as a holder of any office, as the case may be, shall not be revoked so far as concerns any pension or gratuity so granted to him under this Act in respect of such period of service prior to the exercise of the option.

(4) Subject to this section, the commuted pension gratuity referred to in subsection (1) shall be a capital sum ascertained by multiplying the prescribed commutation factor by the amount of such pension that the person concerned is eligible for under this Act.

(5) Where any pension granted to a person under this Act is required to be recomputed by adding his further service as a Member or holder of any office to any period of reckonable service previously used in computing his pension, the