

SOLOMON ISLANDS NATIONAL PROVIDENT FUND (AMENDMENT) BILL 1988

(NAME OF BILL)

CONTENTS

Bill

- Objects and Reasons
- Notice of Presentation
- Covering letter from Minister to Clerk to Parliament
(Authorisation from Minister of Finance under s.60 of Constitution)

FROM

Attorney General's Chambers

PERMANENT SECRETARY FINANCE

21/3/88

TO

Minister

(for signing Objects & Reasons, Notice of Presentation and covering letter to Clerk)

HA 21/3/88

TO

Minister of Finance

(for signing of letter to Clerk signifying Cabinet approval under s.60 of Constitution)

HA 21/3/88

TO

Clerk to National Parliament

(for certificate by Speaker)

23/3/88

TO

Attorney General's Chambers

(for printing)

TO

Clerk to National Parliament

(for reference during 1st, 2nd and 3rd Readings)

(Date passed 30.3.88 Act No. 8/88)

TO

Attorney General's Chambers

(for checking before Assent)

TO

Governor-General

(for Assent)

10/5/88

TO

Clerk to National Parliament

(for distribution:

2 copies Attorney General's Chambers

1 copy Ministry

1 copy Parliament Office

1 copy Registrar of the High Court



**SOLOMON ISLANDS
NATIONAL PROVIDENT
FUND (AMENDMENT) ACT
1988**

(NO. 8 OF 1988)



SOLOMON ISLANDS NATIONAL PROVIDENT FUND (AMENDMENT) ACT 1988

(NO. 8 OF 1988)

Passed by the National Parliament this thirtieth day of March 1988.

This printed impression has been carefully compared by me with the Bill passed by Parliament and found by me to be a true and correct copy of the said Bill.



*J.M. Tuhaika
Clerk to the National Parliament*

Assented to in Her Majesty's name and on Her Majesty's behalf this tenth day of May 1988.



*B. Devesi
Governor-General*

Date of Commencement: see section 1.

AN ACT to amend the Solomon Islands National Provident Fund Act 1973 (No. 3 of 1973).

ENACTED by the National Parliament of Solomon Islands.

SOLOMON ISLANDS NATIONAL PROVIDENT FUND
(AMENDMENT) ACT 1988

ARRANGEMENT OF SECTIONS

Section:

1. Short title and commencement.
2. Amendment of Act No. 3 of 1973.
3. Amendment of section 2 of the principal Act.
4. Amendment of section 3 of the principal Act.
5. Amendment of section 7 of the principal Act.
6. Amendment of section 17 of the principal Act.
7. Amendment of section 21 of the principal Act.
8. Amendment of section 32 of the principal Act.
9. Replacement of section 36 of the principal Act.
10. Amendment of section 38 of the principal Act.

1. This Act may be cited as the Solomon Islands National Provident Fund (Amendment) Act 1988 and shall come into operation on such day as the Minister may appoint by notice published in the Gazette.

Short title
and commence-
ment.

2. The Solomon Islands National Provident Fund Act 1973 (hereinafter referred to as the "principal Act") is amended by substituting the expression "General Manager" for the word "Manager" wherever the word appears in the Act.

Amendment of
Act No. 3
of 1973.

3. Section 2 of the principal Act is amended in the definition of the expression "date of entitlement", by deleting paragraph (e) and substituting therefor the following -

Amendment of
section 2 of
the principal
Act.

"(e) being an employee who has ceased employment for reasons other than resignation and has not, during the three months period immediately preceding the date on which he applies to withdraw the amount standing to his credit in the Fund, been engaged in employment; or"

4. Section 3 of the principal Act is amended as follows -

Amendment of
section 3 of
the principal
Act.

(a) in subsection (1) -

- (i) by deleting the word "and" appearing at the end of paragraph (b);
- (ii) by deleting the comma that appears at the end of paragraph (c) and substituting therefor a semicolon and the word "and"; and
- (iii) by inserting next after paragraph (c) the following -
" (d) not more than two other persons as the Minister thinks necessary. ";

(b) in subsection (2) -

- (i) by deleting the fullstop that appears at the end thereof and substituting therefor a colon; and
- (ii) by inserting immediately thereafter the following proviso -

" Provided that the Minister may, in his absolute discretion, terminate the appointment of any such member at any time. ";

(c) by substituting for subsection (3) the following -

" (3) Where a member of the Board is temporarily unable to perform his functions as a member of the Board, he may authorise another person to act in his stead, and such person, whilst so acting, shall be deemed to be a member of the Board. "; and

Amendment of section 7 of the principal Act.

Act No. 21 of 1978.

Amendment of section 17 of the principal Act.

Amendment of section 21 of the principal Act.

(d) in subsection (6) by substituting for the word "three" the word "four".

5. Section 7 of the principal Act is amended by substituting for subsection (2) the following -

" (2) The Board shall be the Trustee of the Fund, and the moneys belonging to the Fund -

- (a) shall, subject to the directions of the Minister, -
 - (i) be deposited in a bank or banks or any branch thereof in the Solomon Islands; or
 - (ii) be invested in accordance with the provisions of any law relating to trusts; or
 - (iii) be invested in any other security or any other loan specifically approved as an investment for the purposes of this Act by the Minister or guaranteed by the Government under the Public Finance and Audit Act 1978; and

(b) may, subject to the approval of the Minister, be used for acquiring shares or interests in any business or business entity that appears to the Board as likely to serve the interests of all or a substantial portion of the members of the Fund:

Provided that it shall be lawful for the Board -

- (a) to make loans or advances to its officers or servants as part of their conditions of employment, or grants, payments, loans or advances for purposes relating to such conditions as aforesaid; and
- (b) to make loans to members of the Fund for such purposes as the Board may approve, upon such terms as the Board may consider reasonable."

6. Section 17(1) of the principal Act is amended by substituting for the expression "twenty-five" the expression "thirty-five".

7. Section 21 of the principal Act is amended as follows -

- (a) in subsection (3) by inserting immediately after the words "last withdrawal" the expression "and thereafter the provisions of subsection (2) shall apply in respect of withdrawals by such employee"; and
- (b) by deleting subsection (4).

8. Section 32 of the principal Act is amended as follows -
- (a) by renumbering the existing section as subsection (1) and by substituting for the expression "The Board" the expression "Subject to subsection (2), the Board"; and
 - (b) by adding to that section, the following as subsection (2) -
 - " (2) When making payments under subsection (1), the following rules shall apply, that is to say, -
 - (a) where the application is made on the ground that the member -
 - (i) has attained the age of fifty years;
 - (ii) has attained the age of forty years and has retired from employment as an employee; or
 - (iii) being a non-citizen of Solomon Islands, is about to leave or has left Solomon Islands and he has satisfied the Board that he has no intention of returning to Solomon Islands, the Board shall pay to the applicant the whole of the amount standing to the credit of the member in the fund;
 - (b) where the application is made on the ground that the member, being a citizen of Solomon Islands, is about to leave or has left Solomon Islands and has no intention of returning to Solomon Islands, the Board shall pay to the applicant the amount standing to the credit of the member as follows -
 - (i) one half of the amount to be paid upon such application; and
 - (ii) the other half of the amount to be paid at the expiration of one year after the payment made under subparagraph (i); and
 - (c) where the application is made on the grounds that the member, being an employee, has ceased employment and has satisfied the Board that he has not, during the three months period immediately preceding the date on which he makes the application, been engaged in employment, the Board shall pay to the member the amount standing to the credit of the member as follows -
 - (i) if the amount is less than \$6,000, the whole of the amount;
 - (ii) if the amount is \$6,000 or more -
 - (a) an initial payment of \$5,000 to be paid to the member on making the application;

Amendment of
section 32 of
the principal
Act.

Replacement
of section 36
of the principal
Act.

and

- (b) the remainder to be paid to the member after the expiration of one year from the date of making the payment under subparagraph (a).”.

9. Section 36 of the principal Act is repealed and replaced by the following -

“Procedure 36. Where a member of the Fund dies, the amount standing to his credit in the Fund where there is a nominee shall be dealt with by the Board in the following manner -

- or no person is nominated. (a) if his widow or any person over eighteen years is nominated to receive the amount (or any portion of it) under section 35 then the amount or that portion shall be paid to the widow or that person, as the case may be;
- (b) if any person under eighteen years (other than his widow) is nominated to receive the amount (or any portion of it) under section 35 then the amount or that portion shall remain in the Fund and shall be deemed to be held by the Board in trust for that person until he reaches the age of eighteen years;
- (c) if no person is nominated to receive it (or any portion of it) then the amount or the portion shall, subject to section 38(4), be dealt with in accordance with section 84 of the Wills, Probate and Administration Act 1987 (Succession to movable and immovable property on intestacy).”.

Amendment of
section 38 of
the principal
Act.

10. Section 38 of the principal Act is amended as follows -

- (a) by deleting subsection (2) and substituting therefor the following -
 - “ (2) The amount standing to the credit of a deceased member in the Fund shall not form part of the estate of such deceased (except for the purposes of section 36(c)) and cannot be charged with any debt or liability except as provided in subsections (3) and (4) of this section.”;
- (b) in subsection (3) -
 - (i) by deleting the word “or” appearing at the end of paragraph (b);

- (ii) by substituting a semicolon for the fullstop appearing at the end of paragraph (c) and by inserting after the semicolon so inserted the word "or"; and
- (iii) by inserting immediately below paragraph (c) the following -
 - "(d) the Fund."; and
- (c) in subsection (4), by inserting immediately after the expression "section 32", the expression "or has, for a period of not less than one year, refused or wilfully neglected to pay the lender such part of the loan as the lender may require him to pay each month in respect of the loan, whichever first occurs".

