

2023-05-26

OBJECTS AND REASONS

This Bill would amend the certain enactments relating to pensions in order to provide for a contributory pension scheme for certain public officers.

Arrangement of Sections

1. Short title
2. Amendment of enactments set out in *Schedule*

SCHEDULE

Consequential Amendments

BARBADOS

A Bill entitled

An Act to amend certain enactments relating to pensions in order to provide for a contributory pension scheme for certain public officers.

ENACTED by the Parliament of Barbados as follows:

Short title

1. This Act may be cited as the *Pensions (Miscellaneous Provisions) Act, 2023*.

Amendment of enactments set out in *Schedule*

2. *The enactment set out in the first column of the Schedule are amended in the respects set out in the second column.*

SCHEDULE

(Section 2)

CONSEQUENTIAL AMENDMENTS

Column 1

Column 2

Enactments

Amendments

1. *Pensions Act, Cap. 25*

1. Delete the

(a) word “Crown” where it appears and substitute the word “State”.

(b) words “Governor General” where they appear and substitute the word “President”.

2. Insert immediately after Part II the following:

“Part IIA

PERSONS WHO BECAME OFFICERS ON OR
AFTER 1ST JANUARY, 2024

Application of this Part

8B. This Part, applies to a person who becomes an officer on or after the 1st day of January, 2024.

Deduction of contributions

8C.(1) With effect from the 1st day of January, 2024, there shall be deducted from the pensionable emoluments of an officer to whom this Part applies, a contribution at the rate of

Schedule - (Cont'd)

CONSEQUENTIAL AMENDMENTS - (Cont'd)

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
<p>1. <i>Pensions Act, Cap. 25 - (Cont'd)</i></p>	<p>(a) 5 per cent of his pensionable emoluments, where the emoluments exceed the maximum; and</p> <p>(b) 2 per cent of his pensionable emoluments where the emoluments do not exceed the maximum,</p> <p>insurable earnings on which contributions are payable in accordance with the <i>National Insurance and Social Security (Insurable Earnings) Order, 2020</i> (S.I. 2020 No.32).</p> <p>(2) An officer referred to in subsection (1) whose pensionable emoluments</p> <p>(a) exceed the maximum insurable earnings referred to in subsection (1)(a) may, in addition to the contributions deducted under that subsection, voluntarily pay a contribution at the rate of 3 per cent; and</p> <p>(b) do not exceed the maximum insurable earnings referred to in subsection (1)(b) may in addition to the contributions deducted under that section, voluntarily pay a contribution at the rate of 1 per cent.”</p>

Schedule - (Cont'd)

CONSEQUENTIAL AMENDMENTS - (Cont'd)

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
1. <i>Pensions Act, Cap. 25 - (Concl'd)</i>	<p><i>Non-application of section</i></p> <p>8D. Section 7 does not apply to an officer to whom this Part applies.</p> <p><i>Contributions payable to the Fund</i></p> <p>8E. Contributions referred to in section 8C shall be paid into the Public Service Pension Fund established by the <i>National Insurance and Social Security Act, Cap. 47.</i></p>
2. <i>Public Employees (Pensions) Act, Cap. 30</i>	<p>1. Delete the</p> <p>(a) word “Governor-General” where they appear and substitute the word “President”;</p> <p>(b) “Establishments” and substitute the words “the public service”.</p> <p>2. Insert immediately after Part IIA the following:</p> <p style="text-align: center;">“Part IIB</p> <p style="text-align: center;">PERSONS WHO BECOME PUBLIC EMPLOYEES ON OR AFTER 1ST JANUARY, 2024</p>

Schedule - (Cont'd)

CONSEQUENTIAL AMENDMENTS - (Cont'd)

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
<p>2. <i>Public Employees (Pensions) Act, Cap. 30 - (Cont'd)</i></p>	<p><i>Application of this Part</i></p> <p>10E. This Part applies to a person who becomes a public employee on or after the 1st day of January, 2024.</p> <p><i>Deduction of contribution</i></p> <p>10F.(1) With effect from the 1st day of January, 2024 there shall be deducted from the pensionable emoluments of a public employee to whom this Part applies, a contribution at the rate of</p> <p style="margin-left: 40px;">(a) 5 per cent of his pensionable emoluments where the emoluments exceed;</p> <p style="margin-left: 40px;">(b) 2 per cent of his pensionable emoluments where the emoluments do not exceed,</p> <p style="margin-left: 40px;">the maximum insurable earnings payable in accordance with the <i>National Insurance and Social Security (Insurable) Earnings Order, 2020 (S.I. 2020 No.32)</i>.</p> <p>(2) A employee referred to in subsection (1) whose emoluments exceed</p>

Schedule - (Cont'd)

CONSEQUENTIAL AMENDMENTS - (Cont'd)

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
<p>2. <i>Public Employees (Pensions) Act, Cap. 30 - (Concl'd)</i></p>	<p>(a) the maximum insurable earnings referred to in subsection (1)(a) may, in addition to the rate of contribution deducted under that subsection, voluntarily pay a contribution at the rate of 3 per cent; and</p> <p>(b) do not exceed the maximum insurable earnings referred to in section 1(b), may in addition to the rate of contribution deducted in that subsection, voluntarily pay a contribution at the rate of 1 per cent.</p> <p style="text-align: center;"><i>Contributions payable to Fund</i></p> <p>10G. Contributions referred to in section 10F, shall be paid into the Public Service Pension Fund established by the <i>National Insurance and Social Security Act, Cap. 47.</i></p> <p style="text-align: center;"><i>Non-application of sections</i></p> <p>10H.(1) Section 5 does not apply to pensions payable to a public employee to whom this Part applies.</p> <p>(2) Section 6 does not apply to a public employee referred to in subsection (1).”.</p>
<p>3. <i>Teachers (Secondary Schools) Pensions Act, Cap. 56</i></p>	<p>1. Delete the</p> <p>(a) word “Crown” where it appears and substitute the word “State”; and</p> <p>(b) the words “Governor-General” and substitute the word “President”.</p>

Schedule - (Cont'd)

CONSEQUENTIAL AMENDMENTS - (Cont'd)

Column 1

Column 2

Enactments

Amendments

3. *Teachers (Secondary Schools) Pensions Act, Cap. 56 - (Cont'd)*

2. Insert immediately after Part II the following as:

“Part IIA

PERSONS WHO BECOME TEACHERS ON OR AFTER 1ST JANUARY, 2024

Application of this Part

11B. This Part applies to a person who becomes a teacher on or after the 1st day of January, 2024.

Deduction of contributions

11C.(1) With effect from the 1st day of January, 2024, there shall be a deduction from the pensionable emoluments of a teacher to whom this Part applies a contribution at rate of

- (a) 5 per cent of his pensionable emoluments where the emoluments exceed;
- (b) 2 per cent of his pensionable emoluments where the emoluments do not exceed,

the maximum insurable earnings on which contributions are payable in accordance with the *National Insurance and Social Security (Insurable Earnings) Order, 2020* (S.I. 2020 No. 32).

Schedule - (Cont'd)

CONSEQUENTIAL AMENDMENTS - (Cont'd)

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
<p>3. <i>Teachers (Secondary Schools) Pensions Act, Cap. 56 - (Concl'd)</i></p>	<p>(2) A teacher referred to in subsection (1) whose pensionable emoluments</p> <p style="padding-left: 2em;">(a) exceed the maximum insurable earnings referred to in subsection (1)(a) may, in addition to the rate of contribution under that subsection, voluntarily pay a contribution at the rate of 3 per cent; and</p> <p style="padding-left: 2em;">(b) do not exceed the maximum insurable earnings referred to subsection 1(b), may in addition to the rate of contribution deducted in that subsection, voluntarily pay a contribution at the rate of 1 per cent.</p> <p style="text-align: center;"><i>Contributions to be paid to National Insurance Board</i></p> <p>11D. Contributions referred to in section 11C. shall be paid into the Public Service Pension Fund established by the <i>National Insurance and Social Security Act, Cap. 47.</i>”.</p>
<p>4. <i>Statutory Boards Pensions Act, Cap. 38</i></p>	<p>1. Insert immediately after Part II the following:</p> <p style="text-align: center;">“Part IIA</p> <p style="text-align: center;">PERSONS WHO BECOME OFFICERS ON OR AFTER 1ST JANUARY, 2024</p> <p style="text-align: center;"><i>Application of this Part</i></p> <p>8B. This Part applies to a person who becomes an officer on or after the 1st day of January, 2024.</p>

Schedule - (Cont'd)

CONSEQUENTIAL AMENDMENTS - (Cont'd)

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
<p>4. <i>Statutory Boards Pensions Act, Cap. 38 - (Cont'd)</i></p>	<p><i>Deduction of contributions</i></p> <p>8C.(1) With effect from the 1st day of January, 2024, there shall be deducted from the pensionable emoluments of an officer to whom this Part applies a contribution at the rate of</p> <p>(a) 5 per cent of his pensionable emoluments where the emoluments exceed;</p> <p>(b) 2 per cent of his pensionable emoluments where the emoluments do not exceed,</p> <p>the maximum insurable earnings on which contributions are payable in accordance with the <i>National Insurance and Social Security (Insurable Earnings) Order, 2020</i> (S.I. 2020 No. 32).</p> <p>2. An officer referred to in subsection (1) whose whose pensionable emoluments exceed</p> <p>(a) the maximum insurable earnings referred to in subsection (1)(a) may, in addition to the rate of contribution deducted under that subsection voluntarily pay a contribution at the rate of 3 per cent;</p> <p>(b) do not exceed the maximum insurable earnings referred to in subsection 1(b), may in addition to the rate of contribution deducted in that subsection, voluntarily pay a contribution at the rate of 1 per cent.</p>

Schedule - (Cont'd)

CONSEQUENTIAL AMENDMENTS - (Cont'd)

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
<p>4. <i>Statutory Boards Pensions Act, Cap. 38 - (Concl'd)</i></p>	<p><i>Contributions payable to the Fund</i></p> <p>8D. Contributions referred to in section 8C. shall be paid into the Public Service Pension Fund established by the <i>National Insurance and Social Security Act, Cap. 47.</i>”.</p>
<p>5. <i>Pensions Regulations, 1947</i></p>	<p>1. Delete the words “Governor-General” where they appear and substitute the word “President”.</p> <p>2. Insert immediately after Part II the following:</p> <p style="text-align: center;">“Part IIA</p> <p style="text-align: center;">PERSONS WHO BECOME OFFICERS ON OR AFTER 1ST JANUARY, 2024</p> <p style="text-align: center;"><i>Application of this Part</i></p> <p>6A. This Part applies to a person who becomes an officer on or after the 1st day of January, 2024 .</p> <p style="text-align: center;"><i>Pensions to whom and at what rate granted</i></p> <p>6B. Subject to the provisions of the Act, and of these Regulations, every officer to whom this Part applies holding a pensionable office in the service of Barbados in a civil capacity for 3 years or more may be granted on retirement a pension at the annual rate of 1.67 hundredth of his pensionable emoluments for each complete month of his pensionable service.”.</p>

Schedule - (Cont'd)

CONSEQUENTIAL AMENDMENTS - (Cont'd)

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
6. <i>Teachers (Secondary Schools) Pensions Regulations, 1962</i>	<p>1. Delete the words “Governor-General” where they appear and substitute the word “President”.</p> <p>2. Insert immediately after Part II the following:</p> <p style="text-align: center;">“Part IIA</p> <p style="text-align: center;">PERSONS WHO BECOME TEACHERS ON OR AFTER 1ST JANUARY, 2024</p> <p style="text-align: center;"><i>Application of this Part</i></p> <p>6A. This Part applies to a person who becomes an officer on or after the 1st day of January, 2024..</p> <p style="text-align: center;"><i>Pensions to whom and at what rates granted</i></p> <p>6B. Subject to the provisions of the Act, and these Regulations, every teacher to whom this Part applies who has been in the teaching service for 3 years or more may be granted on retirement a pension at the annual rate of 1.67 hundredth of his pensionable emoluments for each complete month of his pensionable service.”.</p>

Schedule - (Cont'd)

CONSEQUENTIAL AMENDMENTS - (Cont'd)

Column 1	Column 2
<i>Enactments</i>	<i>Amendments</i>
7. <i>Public Employees Pensions Regulations, 1961</i>	<p>1. Delete the words “Governor General” where they appear and substitute the word “President”.</p> <p>2. Insert immediately after section 3A, the following new regulations:</p> <p style="text-align: center;">“Application</p> <p style="text-align: center;">3B. Regulation 3C applies to a person who becomes a public employee on or after the 1st day of January, 2024.</p> <p style="text-align: center;">Rate of pension to persons eligible for pensions</p> <p style="text-align: center;">3C. Subject to the provisions of the Act and these Regulations, every public employee to whom this section applies who</p> <p style="padding-left: 40px;">(a) is the substantive holder of any scheduled office; and</p> <p style="padding-left: 40px;">(b) has been in the public service for 3 years or more,</p> <p style="padding-left: 40px;">may, on retirement, be granted a pension at the annual rate of 1.67 hundredth of his pensionable emoluments for each completed month of his pensionable service.”.</p>

Schedule - (Concl'd)

Column 1

Column 2

Enactments

Amendments

8. *National Insurance and Social and Social Security Act, Cap. 47*

Insert immediately after section 30B the following:

“Establishment of Public Service Fund

30C.(1) There shall be established a fund called the Public Service Pensions Fund.

(2) The Fund shall be administered and managed by the Board.

(3) There shall be paid into the Public Service Pension Fund all contributions deducted from the salaries of

(a) public officers under section 8C of the *Pensions Act, Cap. 25*;

(b) a public employees under section 10G *Public Employees (Pensions) Act, Cap. 30*;

(c) teachers under section 11C of the *Teachers (Secondary Schools) Pensions Act, Cap. 56*;

(d) officer under section 8C of the *Statutory Boards Pension Act, Cap. 384*.