



BANK OF PAPUA NEW GUINEA

NOTICE

EMPLOYER AND EMPLOYEE SUPERANNUATION CONTRIBUTIONS

The *Superannuation (General Provisions) Act 2000* (the Act) and *Superannuation (Amendment) Regulation 2004* applies to:

- (a) Every employer employing or engaging 15 or more employees; and
- (b) Every employee engaged in employment by an employer under Paragraph (a) receiving pay, whether they make mandatory or voluntary contributions to an Authorised Superannuation Fund (ASF); and
- (c) Every employer employing or engaging less than 15 employees, where the employer elects on a voluntary basis to make employer contributions to an ASF on behalf of an employee; and
- (d) Every employee engaged in an employment by an employer under Subsection (c) and receiving pay, who elects on a voluntary basis to make employee contributions to an ASF.

An employer is required, in respect of each of its employees continuously employed for three months or more, to deduct from the employee 6.0% of the base salary, and 8.4% of the base salary from its own funds on behalf of the employee, and remit to an ASF within 14 days of the end of each calendar month as per Sections 76 and 77 of the Act.

It is an offence for an employer not to comply with the Act. The employer who commits an offence will be prosecuted by the Bank of Papua New Guinea (the Bank) under Section 114 of the Act.

Penalty for an offence is a fine of up to K500,000.00 or a term of imprisonment not exceeding 10 years, or both a fine and imprisonment.

The Bank officers will be visiting employers to ensure they are complying with the Act.

If you are aware of any employer not remitting superannuation contribution to an ASF as per the Act, please contact the Employer Contribution Enforcement Unit (ECEU) on telephone number 3227449 or email: slideceu@bankpng.gov.pg. Or visit the ECEU office, on Level 7, Credit House, Cuthbertson Street, Port Moresby.

Authorised by: Ms. Elizabeth Genia
Governor
Bank of Papua New Guinea