



BANK OF PAPUA NEW GUINEA

PUBLIC NOTICE TO EMPLOYERS

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.

The employers are required to deduct from employees 6% of the gross salary and 8.4% of the gross salary on behalf of the employee to an Authorised Superannuation Fund (ASF) within 14 days of the date of the calendar month as per Section 76 and 77 of the Act.

The Central Bank has established a new unit under the Superannuation & Life Insurance Supervision Department called the Employer Contributions Enforcement Unit, which is tasked with the responsibility of dealing with employers who fail to comply with the requirements of the Act to remit superannuation contribution within the required time period.

It is an offense for employers who do not comply and any non-complying employers will be prosecuted by the Central Bank under Section 114 of the Act. Penalties for non-compliance are a fine of up to K500,000.00, or a term of imprisonment not exceeding 5 years, or both a fine and imprisonment.

If you are aware of any employer not complying with this requirement, please contact the Employer Contributions Enforcement Unit on telephone number: 3227533 or email: slideceu@bankpng.gov.pg.

Authorised by: Mr. Loi M Bakani, CMG
Governor
Bank of Papua New Guinea