

JAMAICA

No. 9 – 2011

I assent,

[L.S.]

*(Sgd) P.L. Allen*

*Governor-General*

0 • APR 2011

AN ACT to Amend the National Insurance Act; to validate and confirm the payment of certain benefits made in good faith by persons acting on behalf of the National Insurance Fund, and the collection of contributions done in good faith, and to indemnify certain persons in respect of those payments and contributions; and for connected matters.

WHEREAS section 10A of the National Insurance Act (hereinafter referred to as the principal Act) provides that a person who, before the 1st day of January, 1991, attained the age of 84 shall be entitled to a pension at a rate of \$1,000.00 per week and shall be called a special pensioner:

AND WHEREAS the Cabinet, by decision bearing the reference number 27/08, dated the 18th day of August, 2008, approved the

expansion of the category of special pensioners under the National Insurance Scheme with effect from the 1st day of April, 2008, to cover persons born before the 1st day of January, 1908:

AND WHEREAS from the 18th day of August, 2008, to the date of commencement of this Act, benefits were paid out, in good faith, to beneficiaries who are within the approved expanded category of special pensioners:

AND WHEREAS it is desirable to:—

- (a) amend the principal Act to expand the category of special pensioners to cover persons born before the 1st day of January, 1908; and
- (b) validate and confirm the payments as aforesaid, made in good faith from the 18th day of August, 2008, to the date of commencement of this Act:

AND WHEREAS section 23A of the principal Act provides that the Minister may increase any benefit by order subject to affirmative resolution:

AND WHEREAS the Cabinet, by decision bearing the reference number 14/08, dated the 21st day of April, 2008, approved a  $33\frac{1}{3}$  per cent increase in the benefits under the Act:

AND WHEREAS from the 7th day of April, 2008, to the date of commencement of this Act, increased benefits were paid out in respect of the benefits referred to in regulation 4(2) and (3) of the National Insurance (General Benefits) Regulations, 1966:

AND WHEREAS it is desirable to—

- (a) amend the National Insurance (General Benefit) Regulations, 1966, to increase the rate of the benefits payable under regulation 4(2) and (3); and
- (b) validate and confirm the payments as aforesaid, made in good faith from the 7th day of April, 2008, to the date of commencement of this Act:

AND WHEREAS the Cabinet, by decision bearing the reference number 24/10, dated the 21st day of June, 2010, approved increases in the flat rate of contributions under the Act, from \$20.00 per week to \$50.00 per week, to have effect from the 2nd day of August, 2010:

AND WHEREAS from the 2nd day of August, 2010, contributions were collected at that increased rate:

AND WHEREAS it is desirable to validate and confirm the collection of contributions as aforesaid, made in good faith from the 2nd day of August, 2010, to the date of commencement of this Act:

[ 01 APR 2011 ]

NOW THEREFORE, BE IT ENACTED by The Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Representatives of Jamaica, and by the authority of the same, as follows:—

1. This Act may be cited as the National Insurance (Validation and Amendment) Act, 2011, and shall be read and construed as one with the National Insurance Act (hereinafter referred to as the principal Act) and all amendments thereto.

Short title  
and  
construction.

2. With effect from the 2nd day of August, 2010, section 5 of the principal Act is amended in subsection (2)(a) by deleting the figures "\$500,000" and substituting therefor the figures "\$1,000,000".

Amendment  
of section 5  
of principal  
Act.

3. Section 10 of the principal Act is amended by deleting subsection (2) and inserting the following as subsections (2) and (2A)—

Amendment  
of section 10  
of principal  
Act.

“(2) For the purposes of this Act, retirement age means—

(a) subject to subsection (2A), the age reached by a person who has retired from regular employment, having attained—

(i) the age of 65 years, in the case of a man;  
or

- (ii) in the case of a woman, the age of—
  - (A) 60 years on or before the 31st day of March, 2011;
  - (B) 61 years on or after the 1st day of April, 2011, but before the 1st day of April, 2012;
  - (C) 62 years on or after the 1st day of April, 2012, but before the 1st day of April, 2013;
  - (D) 63 years on or after the 1st day of April, 2013, but before the 1st day of April, 2014;
  - (E) 64 years on or after the 1st day of April, 2014, but before the 1st day of April, 2015;
  - (F) 65 years on or after the 1st day of January, 2015; or
- (b) the age of 70 years in the case of a man or, in the case of a woman, the age of—
  - (i) 65 years on or before the 31st day of March, 2011;
  - (ii) 66 years on or after the 1st day of April, 2011, but before the 1st day of April, 2012;
  - (iii) 67 years on or after the 1st day of April, 2012, but before the 1st day of April, 2013;
  - (iv) 68 years on or after the 1st day of April, 2013, but before the 1st day of April, 2014;

- (v) 69 years on or after the 1st day of April, 2014, but before the 1st day of April, 2015;
- (vi) 70 years on or after the 1st day of April, 2015,

whichever occurs first.

(2A) Regulations may provide that a person may be treated as having retired from regular employment at any time after attainment of the relevant retirement age specified in subsection (2)(a), notwithstanding that the person is, or intends to, engage in gainful occupation, if such occupation is only occasional, or is inconsiderable in its extent, or is otherwise in its circumstances not inconsistent with retirement.”

4. Section 10A of the principal Act is repealed and the following substituted therefor—

“ Special pensioner.

10A. Subject to the provisions of this Act, a person born before the 1st day of January, 1908, (hereinafter called a special pensioner) shall be entitled to a pension under this Act at a rate of—

- (a) \$1,000.00 per week, with effect from the 1st day of April, 2008, through the 30th day of June, 2010;
- (b) \$1,200.00 per week, with effect from the 1st day of July, 2010.”

Repeal and replacement of section 10A of principal Act

5. Section 20 of the principal Act is amended in subsection (1) by—

- (a) deleting from paragraph (c) the word “or”;
- (b) deleting the full stop from paragraph (d) and substituting therefor the word “; or”; and

Amendment of section 20 of principal Act.

- (c) inserting next after paragraph (d) the following as paragraph (e)—

“(e) a special pensioner.”.

Repeal and  
replacement  
of section  
23A of  
principal  
Act.

6. Section 23A of the principal Act is repealed and the following substituted therefor—

“Increase in  
benefits. 23A.—(1) With effect from the 1st day of July, 2012, and on the 1st day of July in every two calendar years thereafter, the benefits referred to in subsection (2) shall be increased by ten *per cent* by order made by the Minister.

(2) The benefits subject to increase under subsection (1) are—

- (a) the special pension referred to in section 10A;
- (b) the old age and invalidity pension payable in respect of a dependant spouse under section 21;
- (c) the benefits set out in the Third Schedule;
- (d) the sugar workers old age and invalidity pension specified in paragraph 3(c) of the National Insurance (Sugar Workers Transitional) Regulations, 1966; and
- (e) the benefits specified in paragraphs (2) and (3) of regulation 4 of the National Insurance (General Benefits) Regulations, 1966.”.

Third  
Schedule.

Repeal and  
replacement  
of Second  
Schedule to  
principal  
Act.

7. With effect from the 2nd day of August, 2010, the Second Schedule to the principal Act is repealed and the following substituted therefor—

“ SECOND SCHEDULE (Sections 4 and 7)  
Contribution Rates

Description of Insured Person	Weekly Rate of Contribution	
	Payable by Insured Person	Payable by Employer
1. (a) An employed person, over the age of 18 years and under retirement age, employed as a domestic worker.	\$25.00 per week.	\$25.00 per week.
(b) Any other employed person over the age of 18 years and under retirement age, or a member of the Jamaica Defence Force.	2½% of earnings, so, however, that account shall be taken only of so much of such earnings as does not exceed \$19,230.76 per week or \$1,000,000 per annum and ½% of the earnings so collected shall be paid from the National Insurance Fund to the National Health Fund.	2½% of earnings of employed person, so, however, that account shall be taken only of so much of such earnings as does not exceed \$19,230.76 per week or \$1,000,000 per annum and ½% of the earnings so collected shall be paid from the National Insurance Fund to the National Health Fund.
2. Any self employed person over the age of 18 years and under retirement age who is not liable to pay a contribution as an employed person.	\$50.00 per week the yearly aggregate of which shall be taken into account when assessing liability to pay contributions at 5% of total yearly earnings.	
3. Any voluntary contributor over the age of 18 years, being the holder of a certificate of voluntary insurance.	\$50.00 per week.	

Validation of  
payments  
and  
collections,  
and  
indemnity  
from suit.

**8.—(1)** The payment of special pension to persons born before the 1st day of January, 1908, made in good faith from the 18th day of August, 2008, to the date of commencement of this Act, is hereby declared to have been lawfully made and is confirmed.

(2) The payment of the benefits referred to in regulation 4(2) and (3) of the National Insurance (General Benefit) Regulations, 1966, at the increased rate approved by Cabinet decision bearing the reference number 14/08, dated the 21st day of April, 2008, made in good faith from the 7th day of April, 2008, to the date of commencement of this Act, is hereby declared to have been lawfully made and is confirmed.

(3) Every person acting on behalf of the National Insurance Fund in the making of any payment referred to in subsection (1) or (2) is hereby freed, acquitted, discharged and indemnified, as well as against The Queen's Most Gracious Majesty, Her Heirs and Successors as well as against all persons, whatever, from all legal proceedings of any kind in respect of, or consequent on, such payment.

(4) Any contributions collected at the increased rate approved by Cabinet decision bearing number 24/10, dated the 21st day of June, 2010, and collected in good faith from the 2nd day of August, 2010, to the date of commencement of this Act, are hereby declared to have been validly, properly and lawfully collected.

(5) Every person liable to be proceeded against on the ground of any act of illegality in the collection of any contributions referred to in subsection (4) is freed, acquitted, discharged and indemnified as well as against The Queen's Most Gracious Majesty, Her Heirs and Successors as well as against all persons, whatever, from all legal proceedings of any kind in respect of or consequent on such act.

Exemption  
from liability  
for offence

**9.—(1)** This section applies to any contribution due to be paid on or before the date of commencement of this Act.



- (2) No person shall be liable to be proceeded against—
- (a) for an offence under section 44 of the principal Act or regulation 37 of the National Insurance (Collection of Contributions) Regulations, 1966; or
  - (b) in any manner under any provision of regulation 17, 18, 19, 20 or 21 of the National Insurance (Collection of Contributions) Regulations, 1966,

in respect of the failure to pay any contribution referred to in subsection (1), at a rate higher than the rate applicable to such contribution on the 1st day of August, 2010.

**10.** The First Schedule of the National Insurance (Classification) Regulations, 1966, is amended—

Amendment  
of the  
National  
Insurance  
(Classification)  
Regulations,  
1966.

- (a) by renumbering paragraphs 2 to 6 as paragraphs 3 to 7;
- (b) by inserting, next after paragraph 1, the following as paragraph 2—

“2. Employment of a person in any of the following offices—

- (a) President or Deputy President of the Senate;
- (b) Speaker or Deputy Speaker of the House of Representatives;
- (c) Minister of Government;
- (d) Parliamentary Secretary;
- (e) Leader of the Opposition;
- (f) Senator;
- (g) member of the House of Representatives.”;

- (c) in paragraph 3 (as renumbered), by inserting next after the word “Governor-General” the words “or in any of the offices specified in paragraph 2”.

Amendment  
of the  
National  
Insurance  
(General  
Benefit)  
Regulations,  
1966

11. The National Insurance (General Benefit) Regulations, 1966 are amended by deleting paragraphs (2) and (3) of regulation 4 and substituting therefor the following—

“ (2) Where the yearly average is less than thirty-nine but not less than twenty-six, benefit shall be payable at the rate of—

- (a) \$1,500.00 per week, with effect from the 7th day of April, 2008, through the 30th day of June, 2010;
- (b) \$1,800.00 per week, with effect from the 1st day of July, 2010.

(3) Where the yearly average is less than twenty-six, benefit shall be payable at the rate of—

- (a) \$1,000.00 per week, with effect from the 7th day of April, 2008, through the 30th day of June, 2010;
- (b) \$1,200.00 per week, with effect from the 1st day of July, 2010.”.

Passed in the House of Representatives this 22nd day of February, 2011.

DELROY H. CHUCK,  
*Speaker.*

Passed in the Honourable Senate this 25th day of March, 2011.

OSWALD G. HARDING, OJ, CD, QC

*President.*

*This printed impression has been carefully  
compared by me with the authenticated  
impression of the foregoing Act, and has been  
found by me to be a true and correct printed  
copy of the said Act.*

*Clerk to the Houses of Parliament.*