LAWS OF MALAYSIA

ONLINE VERSION OF UPDATED
TEXT OF REPRINT

Act 228

PENSIONS RE-COMPUTATION ACT 1980

As at 1 December 2011

PENSIONS RE-COMPUTATION ACT 1980

Date of Royal Assent   ...   ...   …   …   9 June 1980

Date of publication in the *Gazette* ...   …   12 June 1980

PREVIOUS REPRINTS

First Reprint *2001*

Second Reprint *2006*

LAWS OF MALAYSIA

Act 228

PENSIONS RE-COMPUTATION ACT 1980

ARRANGEMENT OF SECTIONS

LAWS OF MALAYSIA

Act 228

PENSIONS RE-COMPUTATION ACT 1980

An Act to provide for the re-computation of pensions, gratuities and other benefits for officers in the public service, who are subject to the salaries and terms and conditions of service based on the recommendations by the Suffian and Aziz Royal Commissions, and their dependants.

[*1 August 1968*]

BE IT ENACTED by the Seri Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Rakyat in Parliament assembled, and by the authority of the same, as follows:

Short title and commencement

1. This Act may be cited as the Pensions Re-computation Act 1980 and shall be deemed to have come into force on 1 August 1968.

Act to be read with the Ordinance

2. This Act shall be read together with the Ordinance.

Provisions of Act to apply

3. Notwithstanding any provision in the Ordinance with respect to computation of pensions, gratuities and other benefits, the provisions of this Act shall prevail.

Application

4. This Act shall apply throughout Malaysia in respect of officers in the public service—

      (a) who have opted or who are deemed to have opted for the Scheme;

      (b) who were appointed under the Scheme; or

      (c) who by virtue of their options were bound by the Scheme.

Interpretation

5. In this Act, unless the context otherwise requires—

  "Director General" means the Director General of Public Services;

  "last drawn salary" means the last drawn monthly substantive salary and includes any pensionable allowance;

  "officer" means all categories of officers as defined in the Ordinance;

  "Ordinance" means the Pensions Ordinance 1951 [*Ord. 1 of 1951*], the Pensions Ordinance 1963 of Sabah [*Ord. 3 of 1963*], the Pensions Ordinance of Sarawak [*Cap. 89*] and all the Regulations made thereunder;

  "pensionable officer" means an officer who has been emplaced on the pensionable establishment based on the Scheme under the Ordinance;

  "reckonable service" means period of service reckonable under the Ordinance;

  "Scheme" means the revised salaries and terms and conditions of service of officers in the public service based on the recommendations by the Suffian and Aziz Royal Commissions on salaries and terms and conditions of service of such officers made by the Federal Government.

Service pension and service gratuity

6. (1)   A pensionable officer who retires under the Ordinance may on his retirement be granted—

> *(a)* a monthly pension based on one-six hundredth of the amount arrived at by multiplying his total completed months of reckonable service by his last drawn salary, subject to the maximum of half of his last drawn salary; and

> *(b)* a gratuity based on one-twentieth of the amount arrived at by multiplying his total completed months of reckonable service by his last drawn salary.

   (2) Where a pensionable officer retires under the Ordinance—

> *(a)* on the abolition of his office; or

> *(b)* for the purpose of facilitating improvement in the organization of the department to which he belongs by which greater efficiency or economy may be effected,

in addition to a gratuity granted under paragraph (1)*(b)* above, his pension may, if it would be to the advantage of the officer, be based on one-five hundredth of the amount arrived at by multiplying his total completed months of reckonable service by his last drawn salary, subject to the maximum of half of his last drawn salary.

Derivative pension and derivative gratuity

7.   A derivative pension and derivative gratuity granted under the Ordinance shall be computed in the same manner as the computation of service pension and service gratuity under section 6.

Retiring allowance and gratuity to non-pensionable officer

8.   A retiring allowance and gratuity granted to a non-pensionable officer who is retired under the Ordinance shall be equivalent to three-quarters of the service pension and service gratuity respectively

as provided under section 6.

Derivative retiring allowance and derivative gratuity

9. A derivative retiring allowance and derivative gratuity granted under the Ordinance shall be computed in the same manner as the computation of retiring allowance and gratuity under section 8.

Injury allowance

10. (1)   A monthly injury allowance granted to an officer who is retired as a result of sustaining an injury or contracting a disease in the actual discharge of his duties under the Ordinance shall be—

> *(a)* one-twelfth of his salary where his capacity to contribute to his support is slightly impaired;
>
> *(b)* one-sixth of his salary where his capacity to contribute to his support is impaired;
>
> *(c)* one-fourth of his salary where his capacity to contribute to his support is materially impaired;
>
> *(d)* one-third of his salary where his capacity to contribute to his support is totally destroyed.

   (2)   Notwithstanding subsection (1), an officer who sustains a permanent injury while travelling in the actual discharge of his duties under the Ordinance or while on duty in a Security Area, proclaimed under section 47 of the Internal Security Act 1960 [*Act 82*], the injury allowance payable shall be—

> *(a)* one-eighth of his salary where his capacity to contribute to his support is slightly impaired;
>
> *(b)* one-quarter of his salary where his capacity to contribute to his support is impaired;
>
> *(c)* three-eighths of his salary where his capacity to contribute to his support is materially impaired;
>
> *(d)* one-half of his salary where his capacity to contribute

to his support is totally destroyed.

(3)   For the purposes of subsections (1) and (2), "salary" means the monthly substantive salary and any pensionable allowance that the officer receives at the time of sustaining the injury or contracting the disease.

(4)   Injury allowance shall be payable in addition to service pension and gratuity or retiring allowance or gratuity granted under section 6 or 8 respectively but the total amount payable under this section shall not exceed two-thirds of his last drawn salary.

Dependant's pension

11. (1)   Subject to subsections (2) and (3), a dependant's pension payable under the Ordinance, computed as a fraction of the officer's salary at the time of sustaining the injury or contracting the disease may be granted—

> *(a)* to the officer's widow, while unmarried and of good character one-sixth of his salary;
>
> *(b)* if the deceased officer leaves a widow to whom a pension is granted under paragraph *(a)* one-forty eighth of his salary to each child up to six in number;
>
> *(c)* if the deceased officer does not leave a widow, or no pension is granted to the widow one-twenty fourth of his salary to each child up to six in number;
>
> *(d)* with effect from the date of death of a widow to whom a pension has been granted under paragraph *(a)* one- twenty fourth of his salary to the deceased officer's children up to six in number;
>
> *(e)* if the deceased officer's mother was wholly or mainly dependent on him for support at the time of his death and—
>
>> (i) the deceased officer does not leave a widow or if no pension is granted to his widow one-sixth of his salary to the mother while of good

character and without adequate means of support; or

(ii) the deceased officer leaves a widow to whom a pension is granted under paragraph *(a)* one-twelfth of his salary to the mother while of good character and without adequate means of support;

(f) if the deceased's officer's mother is dead and his father was wholly or mainly dependent on him for support at the time of his death and—

(i) the deceased officer does not leave a widow or if no pension is granted to his widow one-sixth of his salary to the father while of good character and without adequate means of support; or

(ii) the deceased officer leaves a widow to whom a pension is granted under paragraph *(a)* one-twelfth of his salary to the father while of good character and without adequate means of support.

(2) Notwithstanding subsection (1), in computing any pension payable to an officer who dies as a result of injuries sustained while travelling in the actual discharge of his duties or while on duty in a Security Area proclaimed under section 47 of the Internal Security Act 1960, the fractions in subsection (1) shall be read as if there had been substituted one-quarter for one-sixth; one-twenty fourth for one-forty eighth; one-twelfth for one-twenty fourth and one-eighth for one-twelfth, wherever they occur.

(3) Where a person in subsection (1) is eligible to a dependant's pension and a derivative pension he shall be paid the higher of the two amounts for a period of twelve and a half years, and thereafter he shall be paid a dependant's pension.

Powers to be exercised by Director General

12. All powers under this Act shall be exercised by the Director General or any officer duly authorized by him in writing.

_____

LAWS OF MALAYSIA

Act 228

PENSIONS RE-COMPUTATION ACT 1980

LIST OF AMENDMENTS

Amending law	Short title	In force from
	– NIL –	

———————

LAWS OF MALAYSIA

Act 228

PENSIONS RE-COMPUTATION ACT 1980

LIST OF SECTIONS AMENDED

Section	Amending authority	In force from
	– NIL –	

_____