

Questions Nos. 1 - 5

1. Would a nurse who was on a Public Service Commission contract for the last 3 and a half years in a truly vacant position be considered a “new public Sector employee” for the purposes of the Public Sector Employees Pension Act? Which pension arrangement would this worker qualify under?

***No - A nurse or any other public service employee who has been engaged on a Public Service Commission contract for the last 3 ½ years in a truly vacant position would not be considered a “new public Sector employee” for the purposes of the new Public Sector Employees Pension. These workers will be covered under the old pension arrangement.***

2. Should the fund run into financial problems, does the law provide for a government guaranteed on the pension to the member?

***The New Pension Plan adopts the Defined Contribution design; therefore, there is no risk of the fund experiencing financial problems, as it's a Defined Contribution plan. All assets are calculated to individual members, and so the goal is to make sure that the fund achieves market rates of return. There is no contingent liability for the Government of Grenada once the full Past Service Credit has been paid as approved.***

3. The 1958 Pension law allows for 66 2/3% of the workers last salary. Does this pension scheme guarantee a percentage amount of the workers' last salary? If so, what is the percentage and which section of the law this information can be found?

***The new pension plan does not guarantee any minimum or maximum replacement rate. As a defined contribution plan, each member's contributions (employer/employee/volunteer) accumulate with interest. Upon retirement, the amount accumulated in the member's account will be available for drawdown or purchase of an annuity.***

4. Section 3 (1b) subsection ii of the Pension law excludes as specific group of workers based on set criteria. Please advise which law covers people falling in this category?

***Employees who have neither attained the age of fifty years nor have been employed with the Government for a period exceeding fifteen years and are not eligible to receive a pension, gratuity or other allowance in accordance with a relevant enactment are covered under the new public sector pension act.***

***Employees of the Government who are currently employed in the public service for a period exceeding fifteen years and are fifty years of age or older are entitled to the Ex-Gracia monthly payment based on Cabinet Conclusion#1221 of June 22, 1988.***

***Temporary employees – These employees will be covered under the new pension act upon confirmation.***

***People who are seconded from statutory bodies or government agencies with established pension arrangements will be covered under these arrangements.***

5. The government has announced the commencement of the deductions from the members/workers. In the absence of the institution established in the law for administering the fund, what is the transitional arrangement for the collection, management and administration of the same?

***Cabinet Conclusion #111 provides for the Department of Public Administration to serve as the interim fund administrator. The contributions deducted from January 1, 2025, are being deposited into a special bank account established for this purpose.***