



# Samoa National Provident Fund

## PRESS RELEASE

### INCREASE IN THE MINIMUM NPF CONTRIBUTION RATE FROM 5% TO 7%

Cabinet has recently approved the increase in the minimum NPF contributions rate for both the Employees and Employers. The proposed increase will allow members to save more towards their retirement fund. Members can enjoy quality retirement if they have sufficient funds accumulated and grown with interest over their working lives. The increase will be from 5% to 7%. This change will require an amendment to the SNPF Act so the office is now working with the relevant authorities for the amendment to be passed by Parliament. Members of Parliament (MP) already have a pension scheme with a minimum contribution rate of 10% by the employee (MP) and 10% by the employer (government). The proposed implementation plan for this change for all employees and employers is as follows:

- I. The Change will commence from 1 July 2015 giving employees and employers a year to prepare for it.
- II. The additional 2% will be implemented over 2 years with a 1% increase per year.
- III. The minimum contribution rate of 6% will commence from 1 July 2015.
- IV. The minimum contribution rate of 7% will commence from 1 July 2016.

Take note that these are the minimum rates. Both the employees and employers can contribute at a higher rate than 7% but NPF must be notified and it must be deductions forming part of the normal payroll. Employees can also contribute voluntarily at a maximum of \$2,000 per month. Members would still have the option of a full withdrawal or a lifetime pension when they reach the retirement age of 55.

For further queries, please contact our Member Services Department, Level 4, SNPF Building, Apia or by email at [info@npf.ws](mailto:info@npf.ws) or by phone at 64800.

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