



PNG PORTS CORPORATION LIMITED
HEAD OFFICE, STANLEY ESPLANADE, PORT MORESBY
PO BOX 671, PORT MORESBY, NCD, PAPUA NEW GUINEA
TELEPHONE: (675) 308 4200, FACSIMILE: (675) 321 1546
E-MAIL: enquiries@pngports.com.pg, WEBSITE: www.pngports.com.pg

Monday, April 12, 2010
For immediate release

MEDIA RELEASE

PNG Ports implements employee retention strategies

THE management of PNG Ports Corporation Limited (PNGPCL) has implemented a range of employee withholding or retention strategies aimed at attracting and keeping its key employees at the Company.

Retention strategies may include immediate benefits for employees such as remuneration, company vehicles, mobile phones, travel incentives, medical benefits and other financial assistance.

This is in addition to long term benefits which will be available to PNGPCL staff after a specified number of years of service; long term benefits may include bonuses and housing assistance.

One of this long term benefits, which may be or if not the first ever to be introduced by any one organisation in Papua New Guinea, is known as the "Retention Bonus Scheme".

In the Company's recent Board meeting; management put forward a proposal known as the Employee Retention Policy which was approved to take effect immediately whereby 30% of each employee's net salary (salary after deductions and tax) will be deposited in a trust fund account in a bank or recognised financial institution.

In announcing this policy recently (09/04/10) at the Head Office, Chief Executive Officer, Mr Brian Riches said all employees for each year of service commencing from January last year (2009) will be eligible to participate in the retention bonus scheme.

Mr Riches said "these funds are held for each eligible employee but will remain the property of PNG Ports Corporation Ltd."

He said employees under the scheme will not be able to access any of the funds until after a period of three years continuous service, at which time employees will be eligible to access 25% of the total funds in the account held for the employee each year.

This percentage will be transferred each year into an account in the employee's name for them to draw on as required.

The employee may choose to leave all or part of the funds in their account. The amount transferred including any interest on these funds will be subject to tax in accordance with PNG Taxation Law.

Balance of the funds in the trust fund account will only be available to the employee when they cease their employment at PNGPCL unless their employment is terminated for disciplinary reasons, and only after 10 years of continuous service from commencement of the scheme.

All other funds in relation to this scheme, except for the percentage transferred into the employee's account each year, remain the property of PNG Ports and will only be available to the staff member in accordance to this policy.

Should an employee leave employment before 10 years from commencement of the scheme for any reason, they will not be entitled to any of the funds except for those transferred each year into the employee's own account.

Mr. Riches said due to increasing challenges with recruiting and retaining professional and specialist employees in the current job market, "PNG Ports will implement a range of retention strategies aimed at attracting and keeping key employees at risk of being offered employment by other organisations in PNG."

He said "this will continue to be critical with the arrival of large multinational mining companies in PNG which are able to offer attractive salaries.

In addition to financial rewards PNGPCL will also encourage the use of non financial incentives as part of its strategy to retain good employees.

The policy also sees to a further option to increase the Employer superannuation contributions up to a maximum allowed 15% of an employee's fully taxed salary and wages and staff may choose to salary sacrifice for additional superannuation.

Company vehicles may be provided to an employee at the discretion of the CEO, leave fares, subscription of publications, membership fees for clubs and professional associations, and study opportunities may be paid or supported by PNG Ports also.

The CEO may approve housing assistance as an addition to the retention bonus in accordance with PNGPCL's housing assistance policy which is currently being reviewed.

Sighted by:




Mrs. Heni Fabila
Marketing Manager

Edited & Endorsed by:



Mr. Stanley Alphonse
Chief Commercial Officer

Authorised by:



Mr. Brian Riches
Chief Executive Officer

Please tick appropriate box for dissemination of Press Releases and other News Items.

Shipping Bulletin - Daily Newspapers

Ahoy Newsletter

News Flash Newsletter

PNGPCL Website