

1993-94-95

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
HOUSE OF REPRESENTATIVES

Presented and read a first time

(Finance)

A BILL

FOR

**An Act to amend the *Parliamentary Contributory
Superannuation Act 1948* and the *Superannuation Laws
Amendment Act 1994*, and for related purposes**

The Parliament of Australia enacts:

Short title

1. This Act may be cited as the *Parliamentary Contributory
Superannuation Legislation Amendment Act 1995*.

Commencement

2.(1) Subject to subsection (2), this Act commences on the day on which it receives the Royal Assent.

(2) Sections 1 to 3 and Part 2 of the Schedule to this Act are taken to have commenced immediately after the commencement of section 7 of the *Superannuation Laws Amendment Act 1994*. 5

Schedule

3. The Acts specified in the Schedule to this Act are amended in accordance with the applicable items in the Schedule, and the other items in the Schedule have effect according to their terms. 10

SCHEDULE

Section 3

**PART 1—PARLIAMENTARY CONTRIBUTORY
SUPERANNUATION ACT 1948**

1. Subsection 20(1A):

Insert the following definition:

“ ‘**cut off date**’ for a person means:

- (a) the date that is 12 months after the person again becomes a member;
or
- (b) the date immediately before any day on which the person ceases to be a member upon the dissolution or expiration of the House of which he or she was then a member or upon the expiration of his or her term of office;”.

2. Subsection 20(1):

Omit the subsection, substitute:

“(1) This section applies to a person if:

- (a) the person has received an eligible lump sum amount under this Act;
and
- (b) the person has again become a member.

“(1AA) The person may enter into a contract with the Trust, in the manner required by the Trust, to repay the amount specified in subsection (1AD) to the Commonwealth within 3 years of the person again becoming a member.

“(1AB) The contract must be made in the period of 3 months after the person again becomes a member.

“(1AC) If there has not been a cut off date for the person in the 3 month period, the trust may extend the period until the first cut off date for the person after the person again becomes a member.

“(1AD) The amount referred to in subsection (1AA) is the amount calculated using the following formula:

$$\text{Eligible lump sum amount} \times \frac{\text{Parliamentary allowance at contract date}}{\text{Parliamentary allowance at retirement date}}$$

where:

‘**Parliamentary allowance at contract date**’ means the annual amount, at the date on which the member concerned enters into a contract with the Trust under subsection (1AA), of parliamentary allowance payable to a member;

SCHEDULE—continued

‘Parliamentary allowance at retirement date’ means the annual amount, at the date on which the member concerned most recently retired from the Parliament, of parliamentary allowance payable to a member.

“(1AE) If a person does not enter into a contract under subsection (1AA), the Trust must not, for the purposes of determining the person’s rights to further benefits under this Act, take into account:

- (a) any part of the member’s period of service; or
- (b) any occasion when he or she ceased to be a member;

before the person became entitled to the eligible lump sum amount.”.

3. Transitional

(1) This item applies in relation to an eligible lump sum amount received by a person before the commencement of this item if:

- (a) the person has again become a member after the receipt of the eligible lump sum amount and is a member at the commencement of this item; and
- (b) before the commencement of this item, the person had not entered into a contract with the Trust under subsection 20(1) of the Principal Act; and
- (c) immediately before the commencement of this item, the person was not entitled to enter into a contract with the Trust under subsection 20(1) of the Principal Act.

(2) If this item applies in relation to an eligible lump sum amount received by a person:

- (a) the person may enter into a contract with the Trust, in the manner required by the Trust, within 3 months after the commencement of this item, to repay to the Commonwealth, within 3 years after he or she again became a member, the repayment amount provided in subsection 20(1AD) of the amended Act; and
- (b) if the person enters into a contract referred to in paragraph (a), subsection 20(1AB) of the amended Act does not apply in relation to the eligible lump sum amount.

(3) Subsection 20(1AE) of the amended Act applies as if the reference in that subsection to a contract under subsection (1AA) of that section included a reference to a contract made under paragraph (2)(a) of this item.

(4) In this item:

“amended Act” means the Principal Act as amended by this Act;

“eligible lump sum amount” has the same meaning as in subsection 20(1A) of the Principal Act;

SCHEDULE—continued

“**Principal Act**” means the *Parliamentary Contributory Superannuation Act 1948*.

4. Application

The amendments made by this Schedule apply in relation to contracts with the Trust entered into after commencement of this item.

PART 2—SUPERANNUATION LAWS AMENDMENT ACT 1994

5. Paragraph 7(b):

Omit “(2AA)”, substitute “(2AAA)”.





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