

South Australia



STATUTES AMENDMENT (SUPERANNUATION) ACT 1997

No. 25 of 1997

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A.D. 1997

No. 25 of 1997

An Act to amend the Judges' Pensions Act 1971, the Parliamentary Superannuation Act 1974, the Police Superannuation Act 1990, the Southern State Superannuation Act 1994 and the Superannuation (Benefit Scheme) Act 1992.

[Assented to 10 April 1997]

The Parliament of South Australia enacts as follows:

**PART 1
PRELIMINARY**

Short title

1. This Act may be cited as the *Statutes Amendment (Superannuation) Act 1997*.

Commencement

2. (1) Subject to subsection (2), this Act will come into operation on a day to be fixed by proclamation.

(2) Sections 16 and 17 will be taken to have come into operation at the commencement of the *Southern State Superannuation Act 1994*.

Interpretation

3. A reference in this Act to the principal Act is a reference to the Act referred to in the heading to the Part in which the reference occurs.

**PART 2
AMENDMENT OF JUDGES' PENSIONS ACT 1971**

Amendment of s. 14—Payment of pensions

4. Section 14 of the principal Act is amended—

(a) by striking out paragraph (b) and substituting the following paragraph:

(b) are payable by the Treasurer from the Consolidated Account (which is appropriated to the necessary extent) or from a special deposit account established by the Treasurer for that purpose.;

(b) by inserting after its present contents as amended by this section (now to be designated as subsection (1)) the following subsection:

(2) In this section-

"special deposit account" means a special deposit account established under section 8 of the *Public Finance and Audit Act 1987*.

Amendment of s. 15—Refund of certain contributions

5. Section 15 of the principal Act is amended by striking out subsection (2) and substituting the following subsection:

(2) Amounts referred to in subsection (1) are payable by the Treasurer out of the Consolidated Account (which is appropriated to the necessary extent).

PART 3

AMENDMENT OF PARLIAMENTARY SUPERANNUATION ACT 1974

Substitution of s. 39

6. Section 39 of the principal Act is repealed and the following section is substituted:

Financial provision

39. (1) Money required for the purposes of this Act is payable by the Treasurer from the Consolidated Account (which is appropriated to the necessary extent) or from a special deposit account established by the Treasurer for that purpose.

(2) In this section—

"special deposit account" means a special deposit account established under section 8 of the *Public Finance and Audit Act 1987*.

PART 4

AMENDMENT OF POLICE SUPERANNUATION ACT 1990

Amendment of s. 4—Interpretation

7. Section 4 of the principal Act is amended by inserting the following definition after the definition of "the Scheme" in subsection (1):

"special deposit account" means a special deposit account established under section 8 of the *Public Finance and Audit Act 1987*;

Amendment of s. 10—The Fund

8. Section 10 of the principal Act is amended—

(a) by inserting after "from the Consolidated Account (which is appropriated to the necessary extent)" in subsection (4) "or from a special deposit account established by the Treasurer for that purpose";

(b) by inserting after "the Consolidated Account" in paragraph (c) of subsection (7) "or a special deposit account".

Amendment of s. 14—Payment of benefits

9. Section 14 of the principal Act is amended—

- (a) by striking out from subsection (1) "out of the Consolidated Account (which is appropriated to the necessary extent)" and substituting "by the Treasurer out of the Consolidated Account (which is appropriated to the necessary extent) or out of a special deposit account established by the Treasurer for that purpose";
- (b) by inserting after "the Consolidated Account" in subsection (4) "or special deposit account".

Amendment of s. 22—Resignation and preservation

10. Section 22 of the principal Act is amended by striking out from paragraph (b) of subsection (6) "from the Consolidated Account".

Amendment of schedule 1—Transitional Provisions

11. Schedule 1 of the principal Act is amended by striking out from subclause (2) of clause 6 "out of the Consolidated Account (which is appropriated to the necessary extent)" and substituting "by the Treasurer out of the Consolidated Account (which is appropriated to the necessary extent) or out of a special deposit account established by the Treasurer for that purpose".

PART 5

AMENDMENT OF SOUTHERN STATE SUPERANNUATION ACT 1994

Amendment of s. 3—Interpretation

12. Section 3 of the principal Act is amended by inserting the following definition after the definition of "the Southern State Superannuation Scheme":

"special deposit account" means a special deposit account established under section 8 of the *Public Finance and Audit Act 1987*;

Amendment of s. 4—The Fund

13. Section 4 of the principal Act is amended—

- (a) by inserting after "the Fund" in subsection (4) "from the Consolidated Account (which is appropriated to the necessary extent) or from a special deposit account established by the Treasurer for that purpose";
- (b) by inserting after "the Consolidated Account" in paragraph (b) of subsection (6) "or a special deposit account".

Amendment of s. 9—The Southern State Superannuation (Employers) Fund

14. Section 9 of the principal Act is amended by striking out subsection (3) and substituting the following subsection:

(3) The following amounts will be paid from the fund:

- (a) the reimbursement of the Consolidated Account or a special deposit account in respect of the employer component of benefits payable under this Act or of future service benefits payable under this Act;
- (b) the administrative costs and other expenses of or relating to the administration of this Act (including the costs and expenses of or relating to the investment of the fund itself);

- (c) the reimbursement of the Treasurer for an amount (if any) paid (whether before or after the commencement of this paragraph) by the Treasurer for a purpose referred to in paragraph (b) together with interest on that amount fixed by the Treasurer.

Amendment of s. 12—Payment of benefits

15. Section 12 of the principal Act is amended—

- (a) by striking out from subsection (1) "out of the Consolidated Account (which is appropriated to the necessary extent)" and substituting "by the Treasurer out of the Consolidated Account (which is appropriated to the necessary extent) or out of a special deposit account established by the Treasurer for that purpose";
- (b) by inserting after "Consolidated Account" in subsections (2) and (3) "or special deposit account".

Amendment of s. 19—Members of the police force

16. Section 19 of the principal Act is amended—

- (a) by striking out "All members" and substituting "Subject to subsection (2), all members";
- (b) by inserting after its present contents as amended by this section (now to be designated as subsection (1)) the following subsection:

(2) A member of the police force who is employed pursuant to a contract having a fixed term is not a member of the scheme by virtue of subsection (1).

Amendment of s. 25—Contributions

17. Section 25 of the principal Act is amended—

- (a) by inserting the following subsection after subsection (3):
- (3a) Subsection (3) does not apply to a member of the police force who is employed pursuant to a contract having a fixed term.;
- (b) by striking out from subsection (5) "(who is not a member of the police force)" and substituting "(not being a member of the police force referred to in subsection (3))".

Amendment of s. 27—Employer contribution accounts

18. Section 27 of the principal Act is amended—

- (a) by striking out subsection (2) and substituting the following subsection:

(2) On 30 June 1996 and on 30 June in each succeeding year the Board must credit or debit to each account an amount calculated as follows:

$$A = AEC + \left[\left(B + \frac{AEC - C}{2} \right) \times \frac{I}{100} \right] - C$$

Where—

- A is the amount to be credited or debited
- AEC is the annual employer contribution for the financial year in respect of which the amount is to be credited or debited—*see* section 28
- B is the balance (if any) of the account at the beginning of the financial year in respect of which the amount is to be credited or debited (but if an amount was carried over from the Benefit Scheme or from any other superannuation fund or scheme when the member's membership of the scheme commenced, "B" is, in respect of the first financial year of his or her membership of the scheme, the amount so credited)
- C is an administrative charge to be prescribed by regulation (different charges may be prescribed depending on the balance of members' accounts or any other relevant factor)
- I is the interest rate and is equivalent to the rate of return on investments of the Southern State Superannuation (Employers) Fund determined by the Board under Part 2 Division 3 in respect of the relevant financial year.;

(b) by striking out subsection (4) and substituting the following subsection:

(4) Immediately before the employer component is paid to, on behalf of, or in respect of a member under Part 5, the Board must credit or debit to the member's employer contribution account an amount calculated as follows:

$$A = AEC + \left[\left(B + \frac{AEC - C}{2} \right) \times \frac{I}{100} \times \frac{Y}{D} \right] - C$$

but if the member's membership of the scheme commenced during the relevant financial year and an amount was carried over from the Benefit Scheme or from any other superannuation fund or scheme when the member's membership of the scheme commenced, the amount to be credited or debited by the Board will be calculated as follows:

$$A = AEC + \left[\left(B_1 + \frac{AEC - C}{2} \right) \times \frac{I}{100} \times \frac{Y}{D} \right] - C$$

Where—

- A is the amount to be credited or debited
- AEC is the annual employer contribution for the relevant financial year—*see* section 28
- B is the balance (if any) of the account at the beginning of the relevant financial year

- B₁** is the amount carried over on behalf of the member and credited to the member's employer contribution account
- C** is an administrative charge to be prescribed by regulation (different charges may be prescribed depending on the balance in members' accounts or any other relevant factor)
- I** is the interest rate and is equivalent to the rate of return on investments of the Southern State Superannuation (Employers) Fund estimated by the Board in respect of that part of the relevant financial year occurring before the last day on which interest is payable
- Y** is the number of days from the commencement of the member's membership of the scheme or from the commencement of the relevant financial year (whichever is later) to the last day on which interest is payable
- D** is the number of days in the relevant financial year.

Repeal of s. 29

19. Section 29 of the principal Act is repealed.

PART 6**AMENDMENT OF SUPERANNUATION (BENEFIT SCHEME) ACT 1992****Amendment of s. 7—Members' accounts**

20. Section 7 of the principal Act is amended by striking out subsections (2) and (3) and substituting the following subsections:

(2) On 30 June 1993 the Board will credit to each account an amount calculated as follows:

$$A = ASB + \left[\frac{ASB}{2} \times \frac{I}{100} \right]$$

and on 30 June in each succeeding year the Board will credit or debit to each account an amount calculated as follows:

$$A = ASB + \left[\left(B + \frac{ASB - C}{2} \right) \times \frac{I}{100} \right] - C$$

Where—

A is the amount to be credited or debited

ASB is the annual superannuation benefit—see section 8

B is the balance of the account at the beginning of the financial year in respect of which the amount is to be credited or debited

- C is an administrative charge to be prescribed by regulation (different charges may be prescribed depending on the balance in members' accounts or any other relevant factor)
- I is the applicable interest rate and is determined in accordance with section 10.

(3) Immediately before the amount standing to the credit of a member's superannuation account is paid to, or in respect of, the member, the Board must credit or debit to the account an amount calculated as follows:

$$A = ASB + \left[\left(B + \frac{ASB - C}{2} \right) \times \frac{I}{100} \times \frac{Y}{D} \right] - C$$

Where—

- A is the amount to be credited or debited
- ASB is the annual superannuation benefit—*see* section 8
- B is the balance of the account at the beginning of the relevant financial year
- C is an administrative charge to be prescribed by regulation (different charges may be prescribed depending on the balance in members' accounts or any other relevant factor)
- I is the applicable interest rate and is determined in accordance with section 10
- Y is the number of days from the commencement of the relevant financial year to the last day on which interest is payable
- D is the number of days in the relevant financial year.

Repeal of s. 11

21. Section 11 of the principal Act is repealed.

Substitution of title

22. The title to Part 4 of the principal Act is repealed and the following title is substituted:

PART 4 ENTITLEMENT TO BENEFITS

Amendment of s. 17—Payment of benefits

23. Section 17 of the principal Act is amended—

- (a) by striking out "must be made out of the Consolidated Account (which is appropriated to the necessary extent)" and substituting "or to another fund or scheme on behalf of a member must be made by the Treasurer out of the Consolidated Account (which is appropriated to the necessary extent) or out of a special deposit account established by the Treasurer for that purpose";

(b) by inserting after its present contents as amended by paragraph (a) (now to be designated as subsection (1)) the following subsection:

(2) In this section—

"special deposit account" means a special deposit account established under section 8 of the *Public Finance and Audit Act 1987*.

In the name and on behalf of Her Majesty, I hereby assent to this Bill.

E. J. NEAL, Governor