

Superannuation (Amendment) Bill

No.

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LEGISLATIVE ASSEMBLY

Read 1° 17 September 1987

(Brought in by Mr Fordham and Mr Simmonds)

A BILL

to amend the *Superannuation Act 1958*
and the *Pensions Supplementation Act 1966*
and for other purposes.

Superannuation (Amendment) Act 1987

The Parliament of Victoria enacts as follows:

Purpose.

1. The purpose of this Act is—

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- (a) to introduce a new superannuation scheme under the *Superannuation Act 1958*; and
 - (b) to restructure the State Superannuation Board; and
 - (c) to change the provisions relating to contributions from the Consolidated Fund towards benefits.

Commencement.

10 2. (1) Except as provided in sub-sections (2) and (3), this Act comes into operation on 1 January 1988.

(2) Section 7 (1) is deemed to have come into operation on 1 July 1987.

(3) Section 10 comes into operation on 27 November 1987.

Provisions of *Superannuation Act 1958* applicable to new scheme members.

3. The following provisions of the *Superannuation Act 1958* apply to new scheme members and a reference in those provisions to a pensioner or contributor includes a reference to a new scheme member: 5

(a) Sections 1, 3, 3C, 5, 6, 6A, 6B, 6BA, 6BB, 6C, 7 (2), 8, 9, 9A, 10, 30, 37, 39, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 59A, 60, 61, 62, 63, 68, 68A, 69, 70, 70A, 71, 72 and 73;

(b) Those provisions which are expressed to apply to new scheme members. 10

Definitions.

4. Section 3 (1) of the *Superannuation Act 1958* is amended as follows:

(a) In sub-section (1), after the definition of “ *Government Actuary*”, insert— 15

“**New Scheme**” means the superannuation scheme for new scheme members which is contained in the regulations made under section 73.

“**New scheme member**” means an officer who was not a contributor or a person in receipt of a pension under this Act before 1 January 1988 or a person who becomes an officer on or after that date, on and from the date on which that person becomes an officer and includes a person who after 31 December 1987 ceases to be a contributor for more than 30 days and again becomes an officer.’; 20

(b) In sub-section (1), for paragraph (a) of the definition of “**Officer**”, substitute— 25

“(a) any person employed—

(i) under the *Public Service Act 1974*; or 30

(ii) under the *Teaching Service Act 1981* as—

(A) a member of the permanent staff of the teaching service;

(B) a temporary teacher; or

(C) a temporary professional appointee; or 35

(D) a temporary assistant professional appointee; or

(E) a temporary special developmental school teacher; or

(iii) under the *Education Act 1958*— 40

(A) under section 5 (1) or 15B of that Act; or

(B) as a rural school aide; or

(C) as a teacher aide; or

(iv) on the permanent staff of officers of The Parliament—under and in accordance with the *Parliamentary Officers Act 1975*—

5 but does not include any such person who is a contributor to the State Employees Retirement Benefits Fund established under the *State Employees Retirement Benefits Act 1979*.”

Contributions of new scheme members.

5. After section 11 (3) of the *Superannuation Act 1958*, insert—

10 “(4) A new scheme member must pay contributions as prescribed in the regulations made under section 73.

(5) The contributions of a new scheme member must be deducted and paid as prescribed in the regulations made under section 73.”

15 **New scheme may be supplemented by Consolidated Fund.**

6. In section 20 of the *Superannuation Act 1958*—

(a) for “20. Payments” substitute “20. (1) Payments”; and

(b) at the end of the section, insert—

20 “(2) When any benefits become payable in respect of a new scheme member (other than benefits for service to which sub-section (4) applies) the Board must determine, by reference to the scales referred to in sub-section (3), the percentage of those benefits which can be met from the amount to the credit of the new scheme for that new scheme member and the Consolidated Fund (which is hereby to the necessary extent appropriated accordingly) must meet the balance of the benefits when the entitlement to the benefits is established.

30 (3) For the purposes of sub-section (2), the Board, on the advice of the Actuary, must fix scales of percentages (which may vary according to different classes of benefits or different circumstances) at intervals of not less than one year and not more than three years.

35 (4) In relation to new scheme members who are declared by the Treasurer by instrument to be officers for the purposes of this section, the Treasurer may require the employers of

those members to pay into The Superannuation Fund such payments as the Treasurer directs.”.

Benefits.

7. (1) Section 32A (7) of the *Superannuation Act* 1958 is repealed.

(2) Immediately before the Part V heading in the *Superannuation Act* 1958, insert— 5

Benefits in respect of new scheme members.

“48A. Benefits in respect of new scheme members are as prescribed in the regulations made under section 73.”.

State Superannuation Board.

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8. (1) For section 49 (2) and (3) of the *Superannuation Act* 1958, substitute—

“(2) The Board consists of seven members appointed by the Governor in Council of whom one is to be appointed as President on the nomination of the Treasurer. 15

(3) Of the persons appointed to the Board (other than the President)—

(a) three must be nominated by the Treasurer; and
(b) one must be a contributor or new scheme member employed under the *Public Service Act* 1974 who is elected by contributors and new scheme members employed under that Act; and 20

(c) one must be a contributor or new scheme member who is a member of the teaching service referred to in sub-paragraph (ii) of the definition of “Officer” in section 3 (1) (a) who is elected by contributors and new scheme members who are members of the teaching service referred to in sub-paragraph (ii) of the definition of “Officer” in section 3 (1) (a); and 25

(d) one must be a contributor or new scheme member who is not employed under the *Public Service Act* 1974, is not a member of the teaching service referred to in sub-paragraph (ii) of the definition of “Officer” in section 3 (1) (a) and who is elected by contributors and new scheme members who are not employed under the *Public Service Act* 1974 and are not members of the teaching service referred to in sub-paragraph (ii) of the definition of “Officer” in section 3 (1) (a).” 30 35

(2) After section 49 (9) of the *Superannuation Act* 1958, insert—

“(9A) Despite any reconstitution of the Board effected by section 8 of the *Superannuation (Amendment) Act* 1987, the Board is the same body after as before the commencement of 40

that section and no act, matter or thing is abated or affected by the reconstitution.”.

5 (3) In section 68A (2) of the *Superannuation Act* 1958, after “12” insert “or, in the case of a new scheme member, in accordance with the regulations made under section 73”.

(4) On the date of commencement of this section, the President and the members of the State Superannuation Board other than those elected under section 49 (3) of the *Superannuation Act* 1958 (as in force immediately before the commencement of this section) go out of office.

10 (5) The members of the State Superannuation Board appointed under section 49 (3) (c), (d) and (e) of the *Superannuation Act* 1958 (as in force immediately before the commencement of this section) are to be treated as if they were appointed under section 49 (3) (b), (c) and (d)
15 of that Act as amended by this section for the remainder of their terms of appointment under section 49 (3) (c), (d) and (e) of the *Superannuation Act* 1958 (as in force immediately before the commencement of this section).

Regulations.

9. After section 73 (1) of the *Superannuation Act* 1958, insert—

20 “(2) Without limiting sub-section (1), the Governor in Council may, after consideration of a report from the Board, make regulations with respect to—

(a) the establishment and operation of the new scheme;
and

25 (b) benefits, contributions and pensions in relation to new scheme members.

(3) The first regulations made under sub-section (2) have effect from 1 January 1988.

30 (4) The Governor in Council may, from time to time after consideration of a report from the Board, make regulations amending the new scheme under sub-section (2).

35 (5) An amending regulation must not reduce or adversely affect the position of any person regarding any benefits which have accrued in respect of service before the date on which the amending regulation is made.

40 (6) The regulations made under sub-section (2) and any other regulations about the new scheme made under sub-section (1) may specify a date from which they come into operation, which may be any date before the day on which the regulations are made.”.

Regulations under section 73.

“74. Regulations made under section 73—

- (a) may be of general or limited application; and
- (b) may differ according to differences in time, place or circumstance; and 5
- (c) may impose penalties not exceeding five penalty units for a contravention of or an offence under the regulations; and
- (d) may apply, adopt or incorporate (with or without modification)—
 - (i) the provisions of any document, code, standard, rule, specification or method formulated, issued, prescribed or published by any authority or body whether as formulated, issued, prescribed or published at the time the regulations are made, or at any time before then; or 10
 - (ii) the provisions of any Act of the Commonwealth or of another State or of a Territory or any matter contained in an Index published by the Australian Statistician or the provisions of any subordinate instrument under any such Act, whether wholly or partially or as amended by the regulations or as in force or published at a particular time or from time to time; and 15
- (e) may leave any matter or thing to be from time to time determined, applied, dispensed with or regulated by the Board; and 20
- (f) may confer powers or impose duties in connection with the regulations on the Board.”. 25

Amendment of *Pensions Supplementation Act 1966*.

10. In section 8C (5) of the *Pensions Supplementation Act 1966*—

- (a) omit “on or after 1 January 1983”; and
- (b) omit “on and from 1 January 1983”; and 30
- (c) for “pensioners after 1 January 1983” substitute “pensioners”; and
- (d) omit “(whether before or after 1 January 1983)”.

Persons who are liable to contribute under the *Superannuation Act 1958*.

11. A person who, immediately before 1 January 1988—

- (a) is a contributor within the meaning of the *Superannuation Act 1958*; and
- (b) is liable to contribute under section 11 of the *Superannuation Act 1958*; and 40

(c) since 1 July 1975 has not contributed under section 11 of the *Superannuation Act 1958* or received a disability pension under that Act—

5 is to be treated for the purposes of the *Superannuation Act 1958* as if that person is a new scheme member within the meaning of that Act and, despite anything to the contrary in the *Superannuation Act 1958*, is not entitled to receive any benefits under that Act in respect of any period for which that person has been liable to contribute under section 11 of that Act but has not so contributed.

