

Queensland



Subordinate Legislation 2000 No. 78

Superannuation (State Public Sector) Act 1990

**SUPERANNUATION (STATE PUBLIC
SECTOR) AMENDMENT OF DEED
REGULATION (No. 1) 2000**

TABLE OF PROVISIONS

Section	Page
1 Short title	8
2 Commencement	8
3 Approval of amendments of deed	8
SCHEDULE 1	
AMENDMENTS OF SUPERANNUATION (STATE PUBLIC SECTOR) DEED 1990 CONCERNING INDEXATION OF CERTAIN PENSIONS, AND RELATED MATTERS	
1 Commencement	9
2 Amendment of s 4 (Definitions)	9
3 Replacement of s 53 (Indexation of pensions)	9
53 Indexation of pensions	9
4 Insertion of new s 66A	10
66A Transitional—reassessment of pensions for financial year starting 1 July 1999	10
5 Replacement of s 133 (Adjustment of pensions)	11
133 Indexation of pensions—general	11
133A Indexation of pensions—part of a year	12
6 Insertion of new s 164A	13
164A Transitional—reassessment of pensions for financial year starting 1 July 1999	13

7	Replacement of s 192 (Adjustment of pensions)	13
	192 Indexation of pensions—general	13
	192A Indexation of pensions—part of a year	14
8	Insertion of new s 213A	15
	213A Transitional—reassessment of pensions for financial year starting 1 July 1999	15
9	Replacement of s 256 (Adjustment of benefits)	15
	256 Indexation of pensions—general	16
	256A Indexation of pensions—part of a year	17
10	Replacement of s 271 (Adjustment of benefits)	17
	271 Indexation of benefit payments—general	18
	271A Indexation of benefit payments—part of a year	18
11	Insertion of new s 279A	19
	279A Transitional—reassessment of benefit payments for financial year starting 1 July 1999	19
12	Replacement of s 300 (Adjustment of pensions)	20
	300 Indexation of pensions—general	20
	300A Indexation of pensions—part of a year	21
13	Insertion of new s 319A	22
	319A Transitional—reassessment of pensions for financial year starting 1 July 1999	22
	SCHEDULE 2	23
	OTHER AMENDMENTS OF SUPERANNUATION (STATE PUBLIC SECTOR) DEED 1990	
1	Amendment of s 4 (Definitions)	23
2	Amendment of s 5 (Meaning of “member”)	23
3	Amendment of s 8 (Application of deed to categories of members)	24
4	Amendment of s 9 (References to period of membership etc. for members transferring from discontinued schemes)	24
5	Amendment of s 22 (Membership categories)	25
6	Insertion of new s 22A	26
	22A Initial membership category for new member	26
7	Omission of s 23 (Initial membership categories applying after discontinuance of schemes)	27

8	Insertion of new ch 1, pt 4A	27
	PART 4A—TRANSFERS BETWEEN MEMBERSHIP CATEGORIES	
	<i>Division 1—General</i>	
	23 Definitions for pt 4A	27
	23A Eligibility to transfer	27
	23B Election to transfer	28
	<i>Division 2—Transfer restrictions and effects of transfer</i>	
	23C Accumulation categories	28
	23D Standard defined benefit category	29
	23E Closed defined benefit categories	30
	23F Transfer amounts	30
	23G Transitional—transfer from defined benefit to accumulation category	31
9	Amendment of s 24 (Persons to give information)	32
10	Replacement of ch 1, pt 6 hdg (Transfers)	32
11	Amendment of s 26 (Transfers in)	32
12	Amendment of s 27 (Transfers out)	32
13	Omission of ch 1, pt 6A (Access on compassionate and severe financial hardship grounds)	33
14	Insertion of new ch 1, pt 9	33
	PART 9—TRANSITIONAL	
	30A Meaning of “commencement day”	33
	30B Membership categories	33
	30C Continuation of accounts	34
	30D Application for payment on compassionate or severe financial hardship ground	34
15	Replacement of ch 2 hdg (Defined benefit members)	34
16	Amendment of s 31 (Application)	35
17	Amendment of s 32 (Definitions for ch 2)	35
18	Amendment of s 34 (Continuity of membership when changing employers)	36
19	Amendment of s 35 (Member compulsory contributions)	36

20	Amendment of s 36 (Average rate in excess of the standard compulsory rate)	36
21	Amendment of s 37 (Contributions in excess of the maximum rate)	36
22	Amendment of s 38 (Voluntary contributions and eligible spouse contributions)	37
23	Amendment of s 39 (Compulsory contributions after benefit determined)	37
24	Amendment of s 43 (Benefit on age retirement)	37
25	Amendment of s 46 (Benefit on total and permanent disablement)	37
26	Amendment of s 47 (Member's prospective membership benefit)	38
27	Amendment of s 48 (Benefit on death)	39
28	Amendment of s 49 (Benefit on permanent and partial disablement)	39
29	Amendment of s 50 (Benefit on temporary disablement)	39
30	Amendment of s 51 (Benefit on involuntary termination or early retirement)	40
31	Amendment of s 52 (Benefits on withdrawal)	40
0 32	Amendment of s 54 (Contributory membership of persons who again become employed members)	41
33	Replacement of s 55 (Benefit on employed member turning 70)	41
	55 Benefit on employed member turning 65	42
	55AA Benefit on employed member turning 70	42
34	Amendment of s 56 (Payments from the fund)	42
35	Amendment of s 58 (Crown contributions for temporary disablement)	42
36	Omission of ch 2, pt 6 (Voluntary contribution account)	42
37	Amendment of s 64 (Salary reduction)	43
38	Replacement of s 65 (Voluntary insurance)	43
	65 Voluntary insurance	43
39	Replacement of ch 3 hdg (Accumulation members)	44
40	Amendment of s 67 (Application)	44
41	Amendment of s 68 (Definitions for ch 3)	45
42	Replacement of ch 3, pt 3, div 1 (Eligibility)	47
	<i>Division 1—Membership</i>	
71	When membership starts	47

Division 1A—Employee compulsory contributions

71A	Compulsory contributions by members in comprehensive accumulation category	47
71B	Deduction of compulsory contributions from salary	48
43	Amendment of s 72 (Payment of contributions)	48
44	Amendment of s 76 (Acceptance of personal and spouse contributions) . .	50
45	Replacement of ch 3, pt 3, div 4 (Member’s account and interest)	50

Division 4—Member’s accumulation account

77	Member’s accumulation account	50
78	Crediting of earnings	51
46	Replacement of s 79 (Time for payment of benefits)	51
79	Time for payment of benefits	51
47	Omission of s 79A (Access on compassionate or severe financial hardship grounds)	52
48	Replacement of s 82A (Preserved amount)	52
82A	Preserved amount	52
49	Amendment of s 84 (Provision of insurance)	53
50	Amendment of s 87 (Premiums)	53
51	Replacement of ch 3, pt 4, div 2, sdiv 2 (Insurance against temporary disablement)	53

Subdivision 2—Income protection insurance

88	Provision of insurance	53
52	Replacement of s 89 (Ineligible members)	54
89	Ineligible members	54
53	Insertion of new ch 3, pt 4, div 3	55

Division 3—Withdrawals from accumulation account

89A	Compulsory withdrawals by member	55
89B	Compulsory withdrawals on death	55
54	Insertion of new ch 3, pt 4A	56

PART 4A—ACCESS ON COMPASSIONATE AND SEVERE FINANCIAL HARDSHIP GROUNDS

Division 1—Preliminary

89C	Definitions for pt 4A	56
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Division 2—Access on compassionate grounds

89D	Application for access	57
89E	Access to accessible amount on compassionate grounds	58
89F	Payment for medical treatment	58
89G	Payment for medical transport	58
89H	Payment to avoid exercise of mortgagee’s powers	59

Division 3—Access on ground of severe financial hardship

	89I	Application for access	59
	89J	Access to accessible amount on severe financial hardship ground	60
	89K	Limitations on access	60
55		Insertion of new ss 89L and 89M	61
	89L	Purchase of pension from fund	61
	89M	Purchase of annuity	61
56		Amendment of s 90 (Preservation and portability on ceasing to be member)	62
57		Amendment of s 91 (Preservation and portability while member)	62
58		Insertion of new s 91A	63
	91A	Transitional—interest credited to employed members	63
59		Replacement of ch 4 hdg (State 58 members)	63
60		Amendment of ch 4, pt 3, div 1 hdg (Benefits transferred to preservation account)	63
61		Amendment of s 109 (Preservation account)	64
62		Replacement of ch 5 hdg (State 72 members)	64
63		Amendment of s 168 (Commencement and cessation of contributions)	64
64		Amendment of ch 5, pt 3, div 1 hdg (Benefits transferred to preservation account)	65
65		Amendment of s 175 (Preservation account)	65
66		Replacement of ch 6 hdg (Police 68 members)	65
67		Amendment of ch 6, pt 3, div 1 hdg (Benefits transferred to preservation account)	65
68		Amendment of s 233 (Preservation account)	66
69		Amendment of s 263 (Application of pt 5)	66

70	Replacement of ch 7 hdg (Police 74 members)	66
71	Amendment of ch 7, pt 3, div 1 hdg (Benefits transferred to preservation account)	66
72	Amendment of s 288 (Preservation account)	67
73	Replacement of ch 8 hdg (Fire members)	67
74	Omission of ch 8, pt 1 hdg (Preliminary)	67
75	Amendment of s 320 (Application)	67
76	Amendment of s 321 (Definitions for ch 8)	68
77	Omission of ch 8, pts 2 and 3	68
78	Omission of ch 8, pt 4 hdg (Miscellaneous)	68
79	Omission of s 330 (Preservation account)	68
80	Omission of s 331A (Change of membership category)	68
81	Omission of ch 9 (Preservation members)	68
82	Amendment of sch 1 (Percentages for benefits)	69

Short title

1. This regulation may be cited as the *Superannuation (State Public Sector) Amendment of Deed Regulation (No. 1) 2000*.

Commencement

2.(1) The following provisions of this regulation commence on 1 May 2000—

- section 3 so far as it relates to schedule 2
- schedule 2.

(2) The remaining provisions of this regulation are taken to have commenced on 1 July 1999.

Approval of amendments of deed

3. This regulation approves the amendments of the *Superannuation (State Public Sector) Deed 1990* in the schedules.

SCHEDULE 1

AMENDMENTS OF SUPERANNUATION (STATE PUBLIC SECTOR) DEED 1990 CONCERNING INDEXATION OF CERTAIN PENSIONS, AND RELATED MATTERS

section 3

Commencement

1. These amendments are taken to have been made on 1 July 1999, at the beginning of the day.

Amendment of s 4 (Definitions)

2. Section 4—

insert—

‘ “**index**” means the all groups consumer price index for Brisbane published by the Australian Statistician.

“**June index**” means the index for the last quarter of a financial year.’.

Replacement of s 53 (Indexation of pensions)

3. Section 53—

omit, insert—

‘Indexation of pensions

‘**53.(1)** This section applies to a pension payable to a person under section 46, 48 or 50¹ during a financial year if the pension was payable to

¹ Section 46 (Benefit on total and permanent disablement), 48 (Benefit on death) or 50 (Benefit on temporary disablement)

SCHEDULE 1 (continued)

the person immediately before the start of the financial year.

‘(2) As soon as practicable after the start of the financial year, the board must reassess the amount of the pension and either increase it or maintain it at the same level as in the previous financial year, as follows—

- (a) if the June index for the previous financial year is higher than the last adjustment index for the pension, the pension must be increased by the percentage increase between the 2 indexes;
- (b) otherwise, the pension remains the same.

‘(3) If the pension is increased under the reassessment, the pension is payable to the person at the increased level from the first pay period that falls entirely in the month of August in the financial year.

‘(4) A percentage increase between 2 indexes under subsection (2)(a) must be calculated to 1 decimal place.

‘(5) In this section—

“last adjustment index”, for a pension, means—

- (a) if the pension has ever been increased under this section—the June index for the financial year immediately before the financial year in which the pension was last increased under this section; or
- (b) otherwise—the June index for the financial year immediately before the financial year in which the pension started being payable.

“pay period”, for a pension, means the fortnightly period in relation to which each pension payment is payable under this part.’.

Insertion of new s 66A

4. Chapter 2, part 7, after section 66—

insert—

“Transitional—reassessment of pensions for financial year starting 1 July 1999

‘66A.(1) This section applies to the reassessment of a pension under

SCHEDULE 1 (continued)

section 53² at the start of the financial year starting 1 July 1999.

‘(2) The last adjustment index for the pension is the June index for the financial year ending 30 June 1998.’.

Replacement of s 133 (Adjustment of pensions)

5. Section 133—

omit, insert—

‘Indexation of pensions—general

‘**133.(1)** This section applies to a pension payable to a person during a financial year under this chapter if the pension was payable to the person immediately before the start of the previous financial year.

‘(2) As soon as practicable after the start of the financial year, the board must reassess the amount of the pension and either increase it or maintain it at the same level as in the previous financial year, as follows—

- (a) if the June index for the previous financial year is higher than the last adjustment index for the pension, the pension must be increased by the percentage increase between the 2 indexes;
- (b) otherwise, the pension remains the same.

‘(3) If the pension is increased under the reassessment, the pension is payable to the person at the increased level from the first pay period that falls entirely in the month of August in the financial year.

‘(4) A percentage increase between 2 indexes under subsection (2)(a) must be calculated to 1 decimal place.

‘(5) In this section—

“last adjustment index”, for a pension, means—

- (a) if the pension has ever been increased under this section—the June index for the financial year immediately before the financial year in which the pension was last increased under this section; or

² Section 53 (Indexation of pensions)

SCHEDULE 1 (continued)

(b) otherwise—the June index for the financial year immediately before the financial year in which the pension started being payable.

“pay period”, for a pension, means the fortnightly period in relation to which each pension payment is payable under this part.

“pension” means a benefit payable to a person under this chapter that has not been commuted to a lump sum.

‘Indexation of pensions—part of a year

‘133A.(1) This section applies to a pension payable to a person under this chapter during a financial year (**“year 2”**) if the pension started being payable to the person during the previous financial year (**“year 1”**).

‘(2) As soon as practicable after the start of year 2, the board must reassess the amount of the pension and either increase it or maintain it at the same level as in year 1, as follows—

(a) if the June index for year 1 is higher than the June index for the financial year before year 1 (**“year 0”**), the pension must be increased by the amount calculated under the following formula—

$$\frac{I\% \times M \times B}{12}$$

(b) otherwise, the pension remains the same.

‘(3) If the pension is increased under the reassessment, the pension is payable to the person at the increased level from the first pay period that falls entirely in the month of August in year 2.

‘(4) In this section—

“B” means the amount of the pension immediately before the reassessment.

“I%” means the percentage increase between the June index for year 0 and the June index for year 1, calculated to 1 decimal place.

“M” means the number of whole months in year 1 for which the pension is payable.

SCHEDULE 1 (continued)

“**pay period**”, for a pension, means the fortnightly period in relation to which each pension payment is payable under this part.

“**pension**” means a benefit payable to a person under this chapter that has not been commuted to a lump sum.’.

Insertion of new s 164A

6. Chapter 4, part 6, after section 164—

insert—

‘Transitional—reassessment of pensions for financial year starting 1 July 1999

‘**164A.(1)** This section applies to the reassessment of a pension under section 133³ at the start of the financial year starting 1 July 1999.

‘**(2)** The last adjustment index for the pension is the June index for the financial year ending 30 June 1998.’.

Replacement of s 192 (Adjustment of pensions)

7. Section 192—

omit, insert—

‘Indexation of pensions—general

‘**192.(1)** This section applies to a pension payable to a person during a financial year under this chapter if the pension was payable to the person immediately before the start of the previous financial year.

‘**(2)** As soon as practicable after the start of the financial year, the board must reassess the amount of the pension and either increase it or maintain it at the same level as in the previous financial year, as follows—

- (a) if the June index for the previous financial year is higher than the last adjustment index for the pension, the pension must be

³ Section 133 (Indexation of pensions—general)

SCHEDULE 1 (continued)

increased by the percentage increase between the 2 indexes;

(b) otherwise, the pension remains the same.

‘(3) If the pension is increased under the reassessment, the pension is payable to the person at the increased level from the first pay period that falls entirely in the month of August in the financial year.

‘(4) A percentage increase between 2 indexes under subsection (2)(a) must be calculated to 1 decimal place.

‘(5) In this section—

“**last adjustment index**”, for a pension, means—

- (a) if the pension has ever been increased under this section—the June index for the financial year immediately before the financial year in which the pension was last increased under this section; or
- (b) otherwise—the June index for the financial year immediately before the financial year in which the pension started being payable.

“**pay period**”, for a pension, means the fortnightly period in relation to which each pension payment is payable under this part.

‘Indexation of pensions—part of a year

‘**192A.(1)** This section applies to a pension payable to a person under this chapter during a financial year (“**year 2**”) if the pension started being payable to the person during the previous financial year (“**year 1**”).

‘(2) As soon as practicable after the start of year 2, the board must reassess the amount of the pension and either increase it or maintain it at the same level as in year 1, as follows—

- (a) if the June index for year 1 is higher than the June index for the financial year before year 1 (“**year 0**”), the pension must be increased by the amount calculated under the following formula—

$$\frac{I\% \times M \times B}{12}$$

SCHEDULE 1 (continued)

(b) otherwise, the pension remains the same.

‘(3) If the pension is increased under the reassessment, the pension is payable to the person at the increased level from the first pay period that falls entirely in the month of August in year 2.

‘(4) In this section—

“**B**” means the amount of the pension immediately before the reassessment.

“**I%**” means the percentage increase between the June index for year 0 and the June index for year 1, calculated to 1 decimal place.

“**M**” means the number of whole months in year 1 for which the pension is payable.

“**pay period**”, for a pension, means the fortnightly period in relation to which each pension payment is payable under this part.’

Insertion of new s 213A

8. Chapter 5, part 5, after section 213—

insert—

‘Transitional—reassessment of pensions for financial year starting 1 July 1999

‘**213A.(1)** This section applies to the reassessment of a pension under section 192⁴ at the start of the financial year starting 1 July 1999.

‘(2) To remove doubt, it is declared that the last adjustment index for the reassessment is the June index for the financial year ending 30 June 1998.’

Replacement of s 256 (Adjustment of benefits)

9. Section 256—

omit, insert—

⁴ Section 192 (Indexation of pensions—general)

SCHEDULE 1 (continued)

‘Indexation of pensions—general

‘**256.(1)** This section applies to a pension payable to a person during a financial year under this part if the pension was payable to the person immediately before the start of the previous financial year.

‘**(2)** As soon as practicable after the start of the financial year, the board must reassess the amount of the pension and either increase it or maintain it at the same level as in the previous financial year, as follows—

- (a) if the June index for the previous financial year is higher than the last adjustment index for the benefit, the pension must be increased by the percentage increase between the 2 indexes;
- (b) otherwise, the pension remains the same.

‘**(3)** If the pension is increased under the reassessment, the pension is payable to the person at the increased level from the first pay period that falls entirely in the month of August in the financial year.

‘**(4)** A percentage increase between 2 indexes under subsection (2)(a) must be calculated to 1 decimal place.

‘**(5)** In this section—

“last adjustment index”, for a pension, means—

- (a) if the pension has ever been increased under this section—the June index for the financial year immediately before the financial year in which the pension was last increased under this section; or
- (b) otherwise—the June index for the financial year immediately before the financial year in which the pension started being payable.

“pay period”, for a pension, means the fortnightly period in relation to which each pension payment is payable under this part.

“pension” means a benefit payable to a person under this part that has not been commuted to a lump sum.

SCHEDULE 1 (continued)

‘Indexation of pensions—part of a year

‘**256A.(1)** This section applies to a pension payable to a person under this part during a financial year (“**year 2**”) if the pension started being payable to the person during the previous financial year (“**year 1**”).

‘**(2)** As soon as practicable after the start of year 2, the board must reassess the amount of the pension and either increase it or maintain it at the same level as in year 1, as follows—

- (a) if the June index for year 1 is higher than the June index for the financial year before year 1 (“**year 0**”), the benefit must be increased by the amount calculated under the following formula—

$$\frac{\mathbf{I\% \times M \times B}}{12};$$

- (b) otherwise, the pension remains the same.

‘**(3)** If the pension is increased under the reassessment, the pension is payable to the person at the increased level from the first pay period that falls entirely in the month of August in year 2.

‘**(4)** In this section—

“**B**” means the amount of the pension immediately before the reassessment.

“**I%**” means the percentage increase between the June index for year 0 and the June index for year 1, calculated to 1 decimal place.

“**M**” means the number of whole months in year 1 for which the pension is payable.

“**pay period**”, for a pension, means the fortnightly period in relation to which each pension payment is payable under this part.’

Replacement of s 271 (Adjustment of benefits)

10. Section 271—

omit, insert—

SCHEDULE 1 (continued)

‘Indexation of benefit payments—general

‘**271.(1)** This section applies to a benefit payable to a person during a financial year under this division if the benefit was payable to the person immediately before the start of the previous financial year.

‘**(2)** As soon as practicable after the start of the financial year, the board must reassess the amount of the benefit and either increase it or maintain it at the same level as in the previous financial year, as follows—

- (a) if the June index for the previous financial year is higher than the last adjustment index for the benefit, the benefit must be increased by the percentage increase between the 2 indexes;
- (b) otherwise, the benefit remains the same.

‘**(3)** If the benefit is increased under the reassessment, the benefit is payable to the person at the increased level from the first pay period that falls entirely in the month of August in the financial year.

‘**(4)** A percentage increase between 2 indexes under subsection (2)(a) must be calculated to 1 decimal place.

‘**(5)** In this section—

“last adjustment index”, for a benefit, means—

- (a) if the benefit has ever been increased under this section—the June index for the financial year immediately before the financial year in which the benefit was last increased under this section; or
- (b) otherwise—the June index for the financial year immediately before the financial year in which the benefit started being payable.

“pay period”, for a benefit, means the fortnightly period in relation to which each benefit payment is payable under this division.

‘Indexation of benefit payments—part of a year

‘**271A.(1)** This section applies to a benefit payable to a person under this division during a financial year (**“year 2”**) if the benefit started being

SCHEDULE 1 (continued)

payable to the person during the previous financial year (“**year 1**”).

‘(2) As soon as practicable after the start of year 2, the board must reassess the amount of the benefit and either increase it or maintain it at the same level as in year 1, as follows—

- (a) if the June index for year 1 is higher than the June index for the financial year before year 1 (“**year 0**”), the benefit must be increased by the amount calculated under the following formula—

$$\frac{\mathbf{I\% \times M \times B}}{12};$$

- (b) otherwise, the benefit remains the same.

‘(3) If the benefit is increased under the reassessment, the benefit is payable to the person at the increased level from the first pay period that falls entirely in the month of August in year 2.

‘(4) In this section—

“**B**” means the amount of the benefit immediately before the reassessment.

“**I%**” means the percentage increase between the June index for year 0 and the June index for year 1, calculated to 1 decimal place.

“**M**” means the number of whole months in year 1 for which the benefit is payable.

“**pay period**”, for a benefit, means the fortnightly period in relation to which each benefit payment is payable under this division.’.

Insertion of new s 279A

11. Chapter 6, part 5, after section 279—

insert—

‘Transitional—reassessment of benefit payments for financial year starting 1 July 1999

‘279A.(1) This section applies to the reassessment of a benefit under

SCHEDULE 1 (continued)

section 256 or 271⁵ at the start of the financial year starting 1 July 1999.

‘(2) To remove doubt, it is declared that the last adjustment index for the reassessment is the June index for the financial year ending 30 June 1998.’

Replacement of s 300 (Adjustment of pensions)

12. Section 300—

omit, insert—

‘Indexation of pensions—general

‘**300.(1)** This section applies to a pension payable to a person during a financial year under this chapter if the pension was payable to the person immediately before the start of the previous financial year.

‘(2) As soon as practicable after the start of the financial year, the board must reassess the amount of the pension and either increase it or maintain it at the same level as in the previous financial year, as follows—

- (a) if the June index for the previous financial year is higher than the last adjustment index for the pension, the pension must be increased by the percentage increase between the 2 indexes;
- (b) otherwise, the pension remains the same.

‘(3) If the pension is increased under the reassessment, the pension is payable to the person at the increased level from the first pay period that falls entirely in the month of August in the financial year.

‘(4) A percentage increase between 2 indexes under subsection (2)(a) must be calculated to 1 decimal place.

‘(5) In this section—

“last adjustment index”, for a pension, means—

- (a) if the pension has ever been increased under this section—the June index for the financial year immediately before the financial

⁵ Section 256 (Indexation of pensions—general) or 271 (Indexation of benefit payments—general)

SCHEDULE 1 (continued)

year in which the pension was last increased under this section; or

- (b) otherwise—the June index for the financial year immediately before the financial year in which the pension started being payable.

“pay period”, for a pension, means the fortnightly period in relation to which each pension payment is payable under this part.

‘Indexation of pensions—part of a year

‘300A.(1) This section applies to a pension payable to a person under this chapter during a financial year (**“year 2”**) if the pension started being payable to the person during the previous financial year (**“year 1”**).

‘(2) As soon as practicable after the start of year 2, the board must reassess the amount of the pension and either increase it or maintain it at the same level as in year 1, as follows—

- (a) if the June index for year 1 is higher than the June index for the financial year before year 1 (**“year 0”**), the pension must be increased by the amount calculated under the following formula—

$$\frac{\mathbf{I\% \times M \times B}}{12};$$

- (b) otherwise, the pension remains the same.

‘(3) If the pension is increased under the reassessment, the pension is payable to the person at the increased level from the first pay period that falls entirely in the month of August in year 2.

‘(4) In this section—

“B” means the amount of the pension immediately before the reassessment.

“I%” means the percentage increase between the June index for year 0 and the June index for year 1, calculated to 1 decimal place.

“M” means the number of whole months in year 1 for which the pension is payable.

SCHEDULE 1 (continued)

“**pay period**”, for a pension, means the fortnightly period in relation to which each pension payment is payable under this part.’.

Insertion of new s 319A

13. Chapter 7, part 6, after section 319—

insert—

‘Transitional—reassessment of pensions for financial year starting 1 July 1999

‘319A.(1) This section applies to the reassessment of a pension under section 300⁶ at the start of the financial year starting 1 July 1999.

‘(2) To remove doubt, it is declared that the last adjustment index for the reassessment is the June index for the financial year ending 30 June 1998.’.

⁶ Section 300 (Indexation of pensions—general)

SCHEDULE 2**OTHER AMENDMENTS OF SUPERANNUATION
(STATE PUBLIC SECTOR) DEED 1990**

section 3

Amendment of s 4 (Definitions)

1.(1) Section 4, definitions “accessible amount”, “compassionate grounds”, “severe financial hardship ground”, “voluntary contribution account” and “voluntary preservation account”—

omit.

(2) Section 4—

insert—

“**accumulation account**” see section 77.

“**accumulation category**” see section 22(2).

“**casual employee**” means an employee who, under the terms of his or her employment, is not entitled to annual leave, sick leave or payment for a public holiday.

“**closed defined benefit category**” means the State 58 category, State 72 category, police 68 category, police 74 category or fire category.

“**defined benefit category**” see section 22(3).

Amendment of s 5 (Meaning of “member”)

2. Section 5(1)—

omit, insert—

5.(1) A person is a “**member**” if—

- (a) the person is an employed member; or
- (b) there is an amount in an accumulation account kept for the person;

SCHEDULE 2 (continued)

or

- (c) the person has ceased to be an employed member and an amount is to be credited to the person's accumulation account on the happening of an event mentioned in section 52(2).'

Amendment of s 8 (Application of deed to categories of members)

3. Section 8(4), '2 to 9'—

omit, insert—

'2 to 8'.

Amendment of s 9 (References to period of membership etc. for members transferring from discontinued schemes)

4.(1) Section 9(1), 'section 34'—

omit, insert—

'former section 34'.

(2) Section 9(1), 'defined benefit'—

omit, insert—

'former defined benefit'.

(3) Section 9—

insert—

'(10) In this section—

"former defined benefit category" means the category by that name existing immediately after the commencement of former section 34 of the Act.

"former section 34 of the Act" means the provision inserted in the Act, as section 34, by the *Superannuation and Other Legislation Amendment Act 1997'*.

SCHEDULE 2 (continued)

Amendment of s 22 (Membership categories)

5.(1) Section 22(2)—

renumber as section 22(7).

(2) Section 22(1)—

omit, insert—

‘22.(1) Each member belongs to 1 or more of the following categories—

- comprehensive accumulation category
- basic accumulation category
- standard defined benefit category
- State 58 category
- State 72 category
- police 68 category
- police 74 category
- fire category.

‘(2) The comprehensive accumulation and basic accumulation categories are **“accumulation categories”**.

‘(3) The other categories are **“defined benefit categories”**.

‘(4) A member for whom contributions are being paid in a defined benefit category is also a member in the basic accumulation category if there is an amount in an accumulation account kept for the member, or an amount is required under this deed to be paid to an accumulation account kept for the member.

(5) A member may not receive employer contributions, or be required to make member contributions, for the member’s membership in both an accumulation category and a defined benefit category, for the same period, in relation to the same employment.

‘(6) Subsection (5) does not apply to—

- (a) employer contributions made for an employed member for the

SCHEDULE 2 (continued)

member's membership in the State 72 category or police 74 category and the member's membership in the basic accumulation category; or

- (b) voluntary contributions made under section 38 for a member by the member's employer, under an arrangement between the member and the employer, and employer contributions made for the member's membership in the standard defined benefit category.'.

Insertion of new s 22A

6. After section 22—

insert—

'Initial membership category for new member

'22A.(1) This section states the membership category to which a person belongs on becoming a member of the scheme (the person's **"initial category"**).

'(2) If a membership notice states only 1 category for which the person is eligible, the person's initial category is the category stated in the notice.

'(3) If a membership notice states more than 1 category for which the person is eligible, the person may choose 1 of the stated categories to be the person's initial category by giving written notice to the board.

'(4) If the person chooses a category under subsection (3), the person's initial category is the chosen category.

'(5) If the person does not choose a category under subsection (3) but the membership notice states that membership of the scheme is compulsory for the person, the person's initial category is as follows—

- (a) for a non-casual employee—
- (ii) if the person is eligible for the comprehensive accumulation category—that category;
 - (iii) otherwise—the basic accumulation category;

SCHEDULE 2 (continued)

(b) for a casual employee—the basic accumulation category.

‘(6) In this section—

“**membership notice**” means a notice under section 13(1) of the Act.’.

Omission of s 23 (Initial membership categories applying after discontinuance of schemes)

7. Section 23—

omit.

Insertion of new ch 1, pt 4A

8. After section 22A—

insert—

**‘PART 4A—TRANSFERS BETWEEN MEMBERSHIP
CATEGORIES**

‘Division 1—General

‘Definitions for pt 4A

‘23. In this part—

“**category**” means a membership category.

“**transfer amount**” see section 23F.

‘Eligibility to transfer

‘23A. A member may transfer from one category to another under this part only if—

(a) the member is an employed member; and

SCHEDULE 2 (continued)

- (b) a notice under section 13(1) of the Act states that the person is eligible for the other category.

‘Election to transfer

‘**23B.(1)** A member may transfer from one category to another by giving to the board a written election to transfer.

‘(2) If the transfer is from the standard defined benefit category to an accumulation category, the election must include an election mentioned in section 23C(3).

‘(3) This section applies subject to section 23A and division 2.

‘Division 2—Transfer restrictions and effects of transfer**‘Accumulation categories**

‘**23C.(1)** The following applies to a member who transfers from the comprehensive accumulation category to another category—

- (a) any amount in the member’s accumulation account is not affected by the transfer;
- (b) the member stops being a member in the comprehensive accumulation category;
- (c) if the transfer is to the standard defined benefit category and the member has an amount in the member’s accumulation account, the member becomes a member in the basic accumulation category as well as the standard defined benefit category.

‘(2) The following applies to a member who transfers from the basic accumulation category to another category—

- (a) any amount in the member’s accumulation account is not affected by the transfer;
- (b) if the member does not have an amount in the member’s accumulation account, the member stops being a member in the

SCHEDULE 2 (continued)

basic accumulation category;

- (c) if the member has an amount in the member's accumulation account, the member remains a member in the basic accumulation category as well as becoming a member of the category to which the member has transferred.

'(3) If a member in the standard defined benefit category transfers from the category to an accumulation category, the member must elect whether to—

- (a) transfer an amount calculated under section 23F(3) to the member's accumulation account; or
- (b) keep the member's entitlement under section 52(2).

'(4) If the member makes an election under subsection (3)(a), the member stops being a member in the standard defined benefit category when the board pays the amount calculated under section 23F(3) to the member's accumulation account.

'(5) If the member makes an election under subsection (3)(b), the member starts to be a member of the accumulation category at the time mentioned in section 71, but does not stop being a member of the standard defined benefit category merely because of the transfer.

'(6) If a member in the State 72 category transfers from the category to an accumulation category, the member stops being a member in the State 72 category when the board pays the amount calculated under section 23F(4) to the member's accumulation account.

'(7) If a member in the police 74 category transfers from the category to an accumulation category, the member stops being a member in the police 74 category when the board pays the amount calculated under section 23F(5) to the member's accumulation account.

'Standard defined benefit category

'23D.(1) A member may not transfer to the standard defined benefit category if—

SCHEDULE 2 (continued)

- (a) the member is a casual employee; or
- (b) the member has previously been a member in the standard defined benefit category in relation to the member's current employment.

‘(2) A member may not transfer from a closed defined benefit category to the standard defined benefit category.

‘Closed defined benefit categories

‘23E. A member may not transfer to a closed defined benefit category.

‘Transfer amounts

‘23F.(1) This section applies to a member who—

- (a) transfers from the standard defined benefit category to an accumulation category and makes an election under section 23C(3)(a); or
- (b) transfers from the State 72 category or police 74 category to an accumulation category.

‘(2) On the transfer of the member to the accumulation category, the board must pay the amount stated in this section (the “**transfer amount**”) to the member's accumulation account.

‘(3) The transfer amount for a transfer from the standard defined benefit category is the amount that would have been credited to the member's accumulation account, on the transfer day, if the member had resigned and made a request under section 52(8).

‘(4) The transfer amount for a transfer from the State 72 category is—

- (a) if the member is less than 55 on the transfer day—the amount that would have been credited in the fund for the member under section 191(4) if the member had ceased to be a member in the State 72 category by resigning on the transfer day and had made an election under section 191(2); or

SCHEDULE 2 (continued)

- (b) if the member is at least 55 on the transfer day—the following amount, calculated as if the member had ceased to be a member in the State 72 category by resigning on the transfer day—
 - (i) if the member is entitled under chapter 5 to a lump sum—the amount of the lump sum;
 - (ii) if the member is entitled under chapter 5 to a pension—the amount of the lump sum to which the member would be entitled if the member made an election under section 205 to convert the pension to a lump sum.

‘(5) The transfer amount for a transfer from the police 74 category is—

- (a) if the member is less than 55 on the transfer day—the amount that would have been credited in the fund for the member under section 299(4) if the member had ceased to be a member in the police 74 category by resigning on the transfer day and had made an election under section 299(2); or
- (b) if the member is at least 55 on the transfer day—the amount of the lump sum to which the member would be entitled if the member had retired on the transfer day and had made an election under section 312 to convert to a lump sum the pension to which the member would be entitled under section 290 or 291.

‘(6) In this section—

“**transfer day**” means the first day for which the member’s employer makes a contribution for the person’s membership in the accumulation category to which the person is transferring.

‘Transitional—transfer from defined benefit to accumulation category

‘**23G.** A person may not transfer from a defined benefit category to an accumulation category under this part before 1 July 2000.’.

SCHEDULE 2 (continued)

Amendment of s 24 (Persons to give information)

9. Section 24, ‘a voluntary preservation account’—
omit, insert—
‘an accumulation account’.

Replacement of ch 1, pt 6 hdg (Transfers)

10. Chapter 1, part 6, heading—
omit, insert—

**‘PART 6—TRANSFERS IN OR OUT OF THE
SCHEME’.**

Amendment of s 26 (Transfers in)

11. Section 26(2)—
omit, insert—
‘(2) An amount received under subsection (1) must be paid into the member’s accumulation account.’.

Amendment of s 27 (Transfers out)

12. Section 27(1), ‘any moneys in a member’s voluntary preservation account.’—

omit, insert—

‘—

- (a) for a member who is not an employed member—an amount in the member’s accumulation account; or
- (b) for an employed member—an amount in the member’s accumulation account that was received under section 26.’.

SCHEDULE 2 (continued)

Omission of ch 1, pt 6A (Access on compassionate and severe financial hardship grounds)

13. Chapter 1, part 6A—

omit.

Insertion of new ch 1, pt 9

14. Chapter 1, after section 30—

insert—

‘PART 9—TRANSITIONAL**‘Meaning of “commencement day”**

‘30A. In this part—

“commencement day” means the day this part commences.

‘Membership categories

‘30B. The following membership category applies, on the commencement day, to a member who was, immediately before the commencement day—

- (a) an accumulation member or preservation member—basic accumulation category;
- (b) a defined benefit member—standard defined benefit category;
- (c) a State 58 member—State 58 category;
- (d) a State 72 member—State 72 category;
- (e) a police 68 member—police 68 category;
- (f) a police 74 member—police 74 category;
- (g) a fire member—fire category.

SCHEDULE 2 (continued)

‘Continuation of accounts

‘30C.(1) This section applies to any of the following accounts that, immediately before the commencement day, was kept for a member—

- (a) a voluntary contribution account;
- (b) a member’s account under section 77;
- (c) a voluntary preservation account.

‘(2) On the commencement day, the account continues as an accumulation account.

‘Application for payment on compassionate or severe financial hardship ground

‘30D.(1) This section applies to an application by a member for a payment under section 61A, 79A or 338A, as in force before the commencement day.

‘(2) If, immediately before the commencement day, the application had not been decided, it is taken to have been made—

- (a) for an application for payment on a compassionate ground—under section 89D;⁷ or
- (b) for an application for payment on a severe financial hardship ground—under section 89I.⁸

⁷ Section 89D (Application for access)

⁸ Section 89I (Application for access)

SCHEDULE 2 (continued)

Replacement of ch 2 hdg (Defined benefit members)

15. Chapter 2, heading—

omit, insert—

**‘CHAPTER 2—STANDARD DEFINED BENEFIT
CATEGORY’.**

Amendment of s 31 (Application)

16. Section 31, ‘defined benefit members’—

omit, insert—

‘members in the standard defined benefit category’.

Amendment of s 32 (Definitions for ch 2)

17.(1) Section 32, definitions “spouse” and “standard compulsory rate”—

omit.

(2) Section 32—

insert—

‘**“income protection benefit”** means a benefit payable under section 50.

“spouse”, of a member—

- (a) includes a person who, although not married to the member, lives with the member on a genuine domestic basis as the member’s husband or wife; but
- (b) does not include a person who permanently lives separately and apart from the member.

“standard compulsory rate”, for an employed member, means—

- (a) if a notice under section 13 of the Act states a standard compulsory rate for the member as a condition of

SCHEDULE 2 (continued)

membership—the stated rate; or

(b) otherwise—5%.’.

(3) Section 32, definition “contributory membership”, ‘this deed’—

omit, insert—

‘this chapter’.

(4) Section 32, definition “contributory membership”, ‘a temporary disablement benefit’—

omit, insert—

‘an income protection benefit’.

Amendment of s 34 (Continuity of membership when changing employers)

18. Section 34, ‘the scheme’—

omit, insert—

‘the standard defined benefit category’.

Amendment of s 35 (Member compulsory contributions)

19. Section 35—

insert—

‘(1A) Subsection (1) does not apply to an employed member who has, in relation to the member’s current employment, transferred to an accumulation category under chapter 1, part 4A, and made an election under section 23C(3)(b).’.

Amendment of s 36 (Average rate in excess of the standard compulsory rate)

20. Section 36, ‘voluntary contribution account established under section 59’—

SCHEDULE 2 (continued)

omit, insert—

‘accumulation account’.

Amendment of s 37 (Contributions in excess of the maximum rate)

21. Section 37(2), ‘voluntary contribution account’—

omit, insert—

‘accumulation account’.

Amendment of s 38 (Voluntary contributions and eligible spouse contributions)

22.(1) Section 38(1), after ‘a member’—

insert—

‘or a member’s spouse’.

(2) Section 38(3), ‘member’s voluntary contribution account’—

omit, insert—

‘member’s or spouse’s accumulation account’.

Amendment of s 39 (Compulsory contributions after benefit determined)

23. Section 39, ‘voluntary preservation account’—

omit, insert—

‘accumulation account’.

Amendment of s 43 (Benefit on age retirement)

24. Section 43, ‘voluntary preservation account’—

omit, insert—

SCHEDULE 2 (continued)

‘accumulation account’.

Amendment of s 46 (Benefit on total and permanent disablement)

25. Section 46(1), (2) and (7), ‘voluntary preservation account’—
omit, insert—
‘accumulation account’.

Amendment of s 47 (Member’s prospective membership benefit)

26.(1) Section 47—

insert—

‘**(2A)** Subsection (1)(b) and (c) do not apply to a member if—

- (a) the member has transferred to the standard defined benefit category from an accumulation category under chapter 1, part 4A; and
- (b) the total of the member’s period of membership in the accumulation category and period of contributory membership under this chapter is at least the following—
 - (i) if, immediately before the transfer, a pre-existing condition exclusion period applied to the member’s insurance under the insurance terms decided under section 86—that period;
 - (ii) otherwise—10 years.

‘**(2B)** If subsection (2A) applies to a member, the member’s prospective membership benefit is the lesser of the following—

- (a) the applicable percentage stated in schedule 1 multiplied by the member’s prospective membership;
- (b) the amount of the insurance cover for death or total and permanent disablement that applied to the member, immediately before the transfer, under chapter 3, part 4, division 2.’.

(2) Section 47(3)—

SCHEDULE 2 (continued)

insert—

- ‘ **“pre-existing condition exclusion period”**, for insurance, means the period during which a claim may not be made if it relates to a medical condition that existed before the period.’.

Amendment of s 48 (Benefit on death)

27.(1) Section 48(1), ‘voluntary preservation account’—

omit, insert—

‘accumulation account’.

(2) Section 48(2), ‘\$76.15’,

omit, insert—

‘\$79.76’.

Amendment of s 49 (Benefit on permanent and partial disablement)

28. Section 49, ‘voluntary preservation account’—

omit, insert—

‘accumulation account’.

Amendment of s 50 (Benefit on temporary disablement)

29.(1) Section 50, heading—

omit, insert—

‘Income protection benefit’.

(2) Section 50—

insert—

‘(1A) However, if the member was in part-time employment at the start of the sick leave, the pension to which the member is entitled under subsection (1) must be multiplied by the membership ratio calculated for the

SCHEDULE 2 (continued)

member under section 66(2).’.

(3) Section 50(4), ‘a temporary disablement benefit’—

omit, insert—

‘an income protection benefit’.

(4) Section 50(4), ‘the temporary disablement benefit’—

omit, insert—

‘the income protection benefit’.

(5) Section 50(5), ‘temporary disablement benefit’—

omit, insert—

‘income protection benefit’.

Amendment of s 51 (Benefit on involuntary termination or early retirement)

30. Section 51, ‘voluntary preservation account’—

omit, insert—

‘accumulation account’.

Amendment of s 52 (Benefits on withdrawal)

31.(1) Section 52(1), after ‘be an employed member’—

insert—

‘(the “**withdrawal event**”), or continues to be an employed member but transfers to an accumulation category under chapter 1, part 4A, and makes an election under section 23C(3)(b) (also the “**withdrawal event**”),’.

(2) Section 52(1), (6) and (8), ‘voluntary preservation account’—

omit, insert—

‘accumulation account’.

(3) Section 52(2), ‘the voluntary preservation account’—

SCHEDULE 2 (continued)

omit, insert—

‘the accumulation account’.

(4) Section 52(2), ‘member’s voluntary preservation account’—

omit, insert—

‘accumulation account’.

(5) Section 52(4)(a), ‘cessation’ to ‘subsection (1)’—

omit, insert—

‘withdrawal event’.

(6) Section 52(4)(b), ‘of cessation’—

omit, insert—

‘the withdrawal event occurred’.

(7) Section 52(7)(a), ‘that in which the cessation’ to ‘occurred’—

omit, insert—

‘the quarter in which the withdrawal event occurred’.

Amendment of s 54 (Contributory membership of persons who again become employed members)

32.(1) Section 54(1) and (2), ‘to the voluntary preservation account’—

omit, insert—

‘to the member’s accumulation account’.

(2) Section 54(1), ‘from the voluntary preservation account’—

omit, insert—

‘from the account’.

(3) Section 54(2), ‘member’s account’—

omit, insert—

‘account’.

SCHEDULE 2 (continued)

Replacement of s 55 (Benefit on employed member turning 70)

33. Section 55—

omit, insert—

‘Benefit on employed member turning 65

‘**55.** If a member is at least 65 years and is not employed for at least 10 hours a week, the board must pay to the member’s accumulation account the amount of the benefit to which the member is entitled under this chapter.

‘Benefit on employed member turning 70

‘**55AA.(1)** This section applies to a member who is at least 70 years.

‘**(2)** The board must pay to the member’s accumulation account the amount of the benefit to which the member is entitled under this chapter if the member—

- (a) is not employed for at least 30 hours a week; or
- (b) asks the board in writing to do so.’.

Amendment of s 56 (Payments from the fund)

34. Section 56, after ‘member’—

insert—

‘under section 35’.

Amendment of s 58 (Crown contributions for temporary disablement)

35. Section 58, ‘temporary disablement benefit under this deed’—

omit, insert—

‘income protection benefit under this chapter’.

SCHEDULE 2 (continued)

Omission of ch 2, pt 6 (Voluntary contribution account)

36. Chapter 2, part 6—

omit.

Amendment of s 64 (Salary reduction)

37. Section 64(a), ‘voluntary preservation account’—

omit, insert—

‘accumulation account’.

Replacement of s 65 (Voluntary insurance)

38. Section 65—

omit, insert—

‘Voluntary insurance

‘65.(1) The board may provide insurance to employed members against death or for total and permanent disablement.

‘(2) The board must decide—

- (a) the process for applying for the insurance; and
- (b) the requirements, including any medical requirements, for eligibility to be provided with the insurance; and
- (c) the terms on which the insurance is provided.

‘(3) The terms on which the insurance is provided may include terms about the following matters—

- (a) the requirements, including any medical requirements, for eligibility to increase the level of insurance cover provided to an insured member;
- (b) benefits;
- (c) the disclosure of relevant information to the board for the board to decide—

SCHEDULE 2 (continued)

- (i) an issue about the payment of a benefit; or
 - (ii) a member's eligibility to become an insured member or to increase the level of insurance cover provided to the member; or
 - (iii) another issue relating to the proper conduct of the insurance scheme;
- (d) ending a member's insurance cover.

'(4) Subject to subsection (5), the premiums payable by an insured member must be deducted from the member's accumulation account.

'(5) If there is an insufficient amount in an insured member's accumulation account to pay the premiums, the board may deduct the premiums from the member's contributions made under section 35.

'(6) The board must not cancel a member's insurance unless—

- (a) the member has requested the cancellation in writing; or
- (b) there is an insufficient amount to pay the premiums under subsections (4) and (5).

'(7) For sections 38 and 56, any amount paid to, or in relation to, a member under the insurance cover must be dealt with as if the amount were an amount of contributions paid by the member.

'(8) The board may enter into a group life assurance policy to provide some or all of the insurance.'

Replacement of ch 3 hdg (Accumulation members)

39. Chapter 3, heading—

omit, insert—

'CHAPTER 3—ACCUMULATION CATEGORIES'.

SCHEDULE 2 (continued)

Amendment of s 67 (Application)

40. Section 67, ‘accumulation members’—

omit, insert—

‘members in the comprehensive accumulation category or basic accumulation category’.

Amendment of s 68 (Definitions for ch 3)

41.(1) Section 68, definitions “1999 cashable amount”, “member’s accumulated employer contributions”, “member’s accumulated personal contributions” and “preservation cashing condition”—

omit.

(2) Section 68—

insert—

‘**“1999 cashable amount”** means—

(a) for a member who was an employed member at 30 June 1999—the amount in the member’s accumulation account that would have been payable to the member at 30 June 1999 if the member had ceased to be an employed member on 30 June 1999 for a reason other than—

- (i) the member’s death; or
- (ii) the member’s retirement, before reaching preservation age, because of total and permanent disablement; or

(b) for a member who ceased to be an employed member before 30 June 1999—the amount in the member’s accumulation account that would have been payable to the member, or that the member could have withdrawn, at 30 June 1999 at the member’s request.

“income protection insurance” means insurance against temporary disablement.

“member’s accumulated employer contributions” means an amount

SCHEDULE 2 (continued)

equal to the employer contributions paid for the member, plus any earnings credited on that amount to the member's accumulation account under section 78, less any fees, charges and insurance premiums paid from the contributions.

“member's accumulated personal contributions” means an amount equal to the member's personal contributions paid into the member's accumulation account, plus any earnings credited on that amount to the account under section 78, less any fees, charges and insurance premiums paid for the member from the contributions.

“preservation cashing condition”—

- (a) for a member who has never been employed for at least 10 hours per week, means the member—
 - (i) attaining the age of 65 years; or
 - (ii) dying; or
 - (iii) becoming totally and permanently disabled; or
- (b) for another member, means the member—
 - (i) permanently retiring from the workforce after reaching preservation age; or
 - (ii) ceasing to be an employed member on or after reaching 60 years; or
 - (iii) turns 70 years; or
 - (iv) dying; or
 - (v) becoming totally and permanently disabled; or
 - (vi) reaching preservation age after the member has permanently retired from the workforce for a reason other than becoming totally and permanently disabled.

“spouse”, of a member—

- (a) includes a person who, although not married to the member, lives with the member on a genuine domestic basis as the member's husband or wife; but

SCHEDULE 2 (continued)

- (b) does not include a person who permanently lives separately and apart from the member.

“standard compulsory rate”, for an employed member, means—

- (a) if a notice under section 13 of the Act states a standard compulsory rate for the member as a condition of membership—the stated rate; or
- (b) otherwise—5%.’.

Replacement of ch 3, pt 3, div 1 (Eligibility)

42. Chapter 3, part 3, division 1—

omit, insert—

Division 1—Membership

‘When membership starts

‘71. A person’s membership in an accumulation category starts on the earlier of the following days—

- (a) the day an amount is paid to the member’s accumulation account for the membership in the category;
- (b) the day the member starts employment for which the member’s employer is required under this chapter to make contributions, because of the membership in the category.

Division 1A—Employee compulsory contributions

‘Compulsory contributions by members in comprehensive accumulation category

‘71A.(1) A member in the comprehensive accumulation category must make contributions to the scheme at the following rate of the member’s salary—

SCHEDULE 2 (continued)

- (a) if the member nominates a rate under this section—that rate;
- (b) otherwise—the standard compulsory rate for the member.

‘(2) A member is taken to make the contributions required by subsection (1) if, under an arrangement with the member’s employer, the contributions are made by the employer.

‘(3) A member in the comprehensive accumulation category may give the member’s employer a written notice nominating a rate, other than the standard compulsory rate, at which the member wishes to make contributions to the scheme under subsection (1).

‘(4) The nominated rate may only be—

- (a) if the member is a member of the Queensland Police Service—3%, 4%, 5% or 6%; or
- (b) if the member is not a member of the Queensland Police Service and a notice under section 13 of the Act states, as a condition of the person’s membership, a rate or rates that the member may nominate under this section—a stated rate; or
- (c) otherwise—2%, 3%, 4% or 5%.

‘Deduction of compulsory contributions from salary

‘71B.(1) The employer of a member in the comprehensive accumulation category may deduct from the member’s salary the contributions required under section 71A.

‘(2) The employer must give to the board the amounts deducted under subsection (1) at the times, and in the way, the board reasonably requires, having regard to the proper administration of the scheme.

‘(3) If an employer does not give an amount to the board within the time required under subsection (2), the employer must pay interest on the outstanding amount at the rate calculated under subsection (4).

‘(4) The board may calculate an interest rate, for a late payment mentioned in subsection (3), that reflects the member’s lost earnings because of the late payment.’.

SCHEDULE 2 (continued)

Amendment of s 72 (Payment of contributions)

43.(1) Section 72(4), definition “prescribed percentage”—
omit.

(2) Section 72(4)—
insert—

‘ **“employee contribution rate”**, for a member in the comprehensive accumulation category, means the rate at which the member is contributing under section 71A.

“prescribed percentage” means—

- (a) for a member in the basic accumulation category who is not an employed member—nil; or
- (b) for an employed member in the basic accumulation category for whom employer contributions are being made, under another chapter, for the same employment to which the membership in the basic accumulation category relates—nil; or
- (c) for an employed member in the basic accumulation category who is also a member in the State 72 or police 74 category or a member of a prescribed scheme—3%; or
- (d) for a member in the comprehensive accumulation category who is not a member of the Queensland Police Service—
 - (i) if the employee contribution rate is 2%—9.75%; or
 - (ii) if the employee contribution rate is 3%—10.75%; or
 - (iii) if the employee contribution rate is 4%—11.75%; or
 - (iv) if the employee contribution rate is 5%—12.75%; or
- (e) for a member in the comprehensive accumulation category who is a member of the Queensland Police Service—
 - (i) if the employee contribution rate is 3%—12%; or
 - (ii) if the employee contribution rate is 4%—14%; or
 - (iii) if the employee contribution rate is 5%—16%; or

SCHEDULE 2 (continued)

- (iv) if the employee contribution rate is 6%—18%; or
- (f) otherwise—
 - (i) until 30 June 2000—7%; and
 - (ii) from 1 July 2000—8%.’.

Amendment of s 76 (Acceptance of personal and spouse contributions)

44. Section 76(1), after ‘behalf of a member’—
insert—
‘or a member’s spouse’.

Replacement of ch 3, pt 3, div 4 (Member’s account and interest)

45. Chapter 3, part 3, division 4—
omit, insert—

‘Division 4—Member’s accumulation account

‘Member’s accumulation account

‘77.(1) The board must keep an account under this section (an **“accumulation account”**) for each member.

‘(2) The following amounts must be credited to the account—

- (a) contributions made for the member;
- (b) an amount required to be paid to the account under this deed;
- (c) any other amount payable to the member under this deed that the board considers is most appropriately dealt with by payment to the account.

‘(3) The following amounts must be debited from the account—

- (a) benefits paid to, or in relation to, the member;

SCHEDULE 2 (continued)

- (b) reasonable administrative fees and charges decided by the board;
- (c) if relevant, a provision for tax;
- (d) any insurance premiums payable by the member;
- (e) any other amount payable by the member under this deed that the board considers is most appropriately dealt with by payment from the account.

‘Crediting of earnings

‘78.(1) The board must credit a member’s accumulation account with the amount, decided by the board, that reasonably reflects the after tax earnings derived from the investment of the amount in the account.

‘(2) In deciding the amount, the board must have regard to—

- (a) the cost of administering all accumulation accounts; and
- (b) the charges incurred in the investment of amounts in all accumulation accounts; and
- (c) the allocation to, or deduction from, a reserve held for smoothing returns from the investment of amounts in all accumulation accounts; and
- (d) if, under an investment policy established under section 11⁹ of the Act, members may choose between 2 or more investment strategies—the investment strategies chosen by the member for the account.’.

Replacement of s 79 (Time for payment of benefits)

46. Section 79—

omit, insert—

⁹ *Superannuation (State Public Sector) Act 1990*, section 11 (Investment of fund)

SCHEDULE 2 (continued)

‘Time for payment of benefits

‘79. The board must pay to the member the amount in the member’s accumulation account, on receiving the member’s written application, if a preservation cashing condition for a member has happened.’.

Omission of s 79A (Access on compassionate or severe financial hardship grounds)

47. Section 79A—

omit.

Replacement of s 82A (Preserved amount)

48. Section 82A—

omit, insert—

‘Preserved amount

‘82A.(1) If a preservation cashing condition for a member has happened, none of the amount in the member’s accumulation account is a preserved amount for the scheme.

‘(2) If a preservation cashing condition for a member has not happened, each of the following amounts in the member’s accumulation account is a preserved amount for the scheme—

- (a) an amount transferred to the account under section 23F;
- (b) the amount in excess of the total of—
 - (i) the member’s 1999 cashable amount; and
 - (ii) a non-preserved transfer amount received by the board for the member after 30 June 1999; and
 - (iii) an amount transferred to the account, under another chapter of this deed, other than as a preserved amount.’.

SCHEDULE 2 (continued)

Amendment of s 84 (Provision of insurance)

49. Section 84(5)—

omit, insert—

‘(5) Subsection (1) does not apply to a member if—

- (a) the member gives written notice to the board that the person does not wish to be insured under this subdivision; and
- (b) it is not a condition of membership for the member, under a notice under section 13(1) of the Act, that the insurance is compulsory for the member.’

Amendment of s 87 (Premiums)

50. Section 87, ‘account’—

omit, insert—

‘accumulation account’.

Replacement of ch 3, pt 4, div 2, sdiv 2 (Insurance against temporary disablement)

51. Chapter 3, part 4, division 2, subdivision 2—

omit, insert—

‘Subdivision 2—Income protection insurance

‘Provision of insurance

‘88.(1) Subject to section 89, the board must provide income protection insurance to each member in the comprehensive accumulation category.

‘(2) Subsection (1) does not apply to a member if—

- (a) the member gives written notice to the board that the person does not wish to have the insurance, and has not withdrawn the notice; and

SCHEDULE 2 (continued)

(b) it is not a condition of membership for the member, under a notice under section 13(1) of the Act, that the insurance is compulsory for the member.

‘(3) The board must decide the terms on which the insurance is provided.

‘(4) The board may enter into a group life assurance policy to provide some or all of the insurance.’.

Replacement of s 89 (Ineligible members)

52. Section 89—

omit, insert—

‘Ineligible members

‘**89.(1)** A member is ineligible for income protection insurance or insurance in case of death or total and permanent disablement if—

- (a) the member is not an employed member; or
- (b) the member is also a member in the police 74 or State 72 category.

‘(2) Also, the following members in the comprehensive accumulation category are ineligible for income protection insurance—

- (a) a member who is a casual employee;
- (b) a member of the Queensland Police Service;
- (c) a member who, under the insurance terms decided under section 88(3), ceases to have the insurance.’.

SCHEDULE 2 (continued)

Insertion of new ch 3, pt 4, div 3

53. After section 89—

insert—

‘Division 3—Withdrawals from accumulation account

‘Compulsory withdrawals by member

‘89A.(1) This section applies if—

- (a) there is an amount in a member’s accumulation account; and
- (b) the member—
 - (i) is at least 65 years and is not employed for at least 10 hours per week; or
 - (ii) is at least 70 years and is not employed for at least 30 hours per week; and
- (c) the member does not, within the prescribed time, accept an offer made under section 89L for the member to buy a pension with the amount.

‘(2) The board must as soon as practicable withdraw the amount in the member’s accumulation account and pay it to the member.

‘(3) The prescribed time for subsection (1)(c) is the time ending 28 days after subsection (1)(a) or (b) starts to apply to the member, whichever starts to apply last.

‘Compulsory withdrawals on death

‘89B. As soon as practicable after a member dies, the board must withdraw the amount in the member’s accumulation account and pay it to the member’s legal personal representative or another person who applies to the board to be paid the amount and who the board considers appropriate.’.

SCHEDULE 2 (continued)

Insertion of new ch 3, pt 4A

54. After section 89B—

insert—

**‘PART 4A—ACCESS ON COMPASSIONATE AND
SEVERE FINANCIAL HARDSHIP GROUNDS**

‘Division 1—Preliminary

‘Definitions for pt 4A

‘89C. In this part—

“accessible amount”, for a member, means—

- (a) if contributions are being made for the member’s membership in the State 72 or police 74 category—the amount in the member’s accumulation account, other than the total of—
 - (i) an amount paid by an employer under section 72 (**“the first amount”**), less an amount mentioned in section 77(3) applicable to the first amount; and
 - (ii) earnings under section 78 on an amount paid by an employer under section 72; or
- (b) otherwise—the amount in the member’s accumulation account.

“Commonwealth income support agency” means a Commonwealth department or agency responsible for administering a class of Commonwealth income support payments.

“Commonwealth income support payment” has the meaning given by the *Superannuation Industry (Supervision) Regulations 1994* (Cwlth), regulation 6.01(2).

“compassionate ground” see section 89D.

“medical transport”, of a member or a dependant of a member, means transport, by land, water or air, of the person to receive medical

SCHEDULE 2 (continued)

treatment.

“**severe financial hardship ground**” means a ground applying to a member under section 89J.

“**specialist**” has the meaning given by the *Medical Act 1939*, section 4.

*‘Division 2—Access on compassionate grounds***‘Application for access**

‘89D. A member may apply to the board for payment of the whole, or a part, of the member’s accessible amount on any of the following grounds (the “**compassionate grounds**”)—

- (a) to pay for medical treatment of the member or a dependant of the member;
- (b) to pay for medical transport of the member or a dependant of the member;
- (c) to enable the member to make a payment on a loan, so as to prevent—
 - (i) foreclosure of a mortgage on the member’s principal place of residence; or
 - (ii) exercise by a mortgagee of an express or statutory power of sale over the member’s principal place of residence;
- (d) to modify the member’s principal place of residence or vehicle to accommodate the special needs of the member, or a dependant of the member, because of severe disability;
- (e) to pay for expenses associated with the palliative care of the member, or a dependant of the member, that is needed because of the impending death of the member or dependant;
- (f) to pay for expenses associated with the death, funeral or burial of a dependant of the member.

SCHEDULE 2 (continued)

‘Access to accessible amount on compassionate grounds

‘89E.(1) The board may pay the amount to the member if the board is satisfied—

- (a) a compassionate ground applies to the member; and
- (b) the member does not have the financial capacity to meet an expense arising from the ground unless the payment is made.

‘(2) The payment may only be made as a single lump sum.

‘Payment for medical treatment

‘89F.(1) This section applies to the compassionate ground stated in section 89D(a).

‘(2) The ground applies to the member only if 2 doctors (at least 1 of whom is a specialist) certify—

- (a) the medical treatment is needed—
 - (i) to treat a life-threatening illness or injury; or
 - (ii) to alleviate acute or chronic pain; or
 - (iii) to alleviate an acute or chronic mental condition; and
- (b) the treatment is not readily available to the member, or the dependant, under the public health system.

‘Payment for medical transport

‘89G.(1) This section applies to the compassionate ground stated in section 89D(b).

‘(2) The ground applies to the member only if 2 doctors (at least 1 of whom is a specialist) certify the medical transport is needed for the member or dependant to receive treatment for a reason stated in section 89F(2)(a).

SCHEDULE 2 (continued)

‘Payment to avoid exercise of mortgagee’s powers

‘89H.(1) This section applies to the compassionate ground stated in section 89D(c).

‘(2) The ground applies to the member only if the member gives the board a written statement from the mortgagee that—

- (a) payment of an amount under the mortgage is overdue; and
- (b) if the member does not pay the amount, the mortgagee will—
 - (i) foreclose the mortgage on the member’s principal place of residence; or
 - (ii) exercise an express or statutory power of sale over the member’s principal place of residence.

‘(3) The statement must include the following information—

- (a) the amount equal to 3 months’ repayments under the mortgage;
- (b) the amount equal to 12 months’ interest on the outstanding balance of the loan at the time of the statement.

‘(4) The maximum amount the board may pay the member is the total of the amounts mentioned in subsection (3).

‘(5) The board may not make a further payment to the member on the ground within 12 months after the payment.

‘Division 3—Access on ground of severe financial hardship**‘Application for access**

‘89I. A member may apply to the board for payment of the whole, or a part, of the member’s accessible amount on a severe financial hardship ground.

SCHEDULE 2 (continued)

‘Access to accessible amount on severe financial hardship ground

‘89J.(1) The board may pay the amount to the member only if the board is satisfied a severe financial hardship ground applies to the member.

‘(2) The payment may only be made as a single lump sum.

‘(3) A severe financial hardship ground applies to a member if—

(a) the member gives the board a written statement from a Commonwealth income support agency stating—

(i) the member has received Commonwealth income support payments for a continuous period of 26 weeks; and

(ii) the member was receiving the income support payments at the date of the statement; and

(b) the board is satisfied the member can not meet reasonable and immediate family living expenses.

‘(4) Also, for a member who is 55 years and 39 weeks or more, a severe financial hardship ground applies to a member if—

(a) the member gives the board a written statement from a Commonwealth income support agency stating the member received Commonwealth income support payments for a cumulative period of 39 weeks after the member turned 55 years; and

(b) the board is satisfied the member was not employed for at least 10 hours a week on the date of the member’s application to the board.

‘(5) The date of the statement mentioned in subsection (3)(a) must not be more than 21 days before the date of the member’s application to the board.

‘Limitations on access

‘89K.(1) This section applies to a payment to a member on the severe financial hardship ground stated in section 89J(3).

‘(2) The board may pay the member—

SCHEDULE 2 (continued)

- (a) a minimum amount of—
 - (i) if the member's accessible amount is \$1 000 or more—\$1 000; or
 - (ii) if the member's accessible amount is less than \$1 000—the member's accessible amount; and
- (b) a maximum amount of \$10 000.

'(3) The board may not make a further payment to the member on the ground within 12 months after the payment.'

Insertion of new ss 89L and 89M

55. Chapter 3, part 5, before section 90—

insert—

'Purchase of pension from fund

'89L.(1) This section applies if a member ceases to be an employed member.

'(2) The board may offer the member the option to buy, with all or part of the amount in the member's accumulation account, a pension with features agreed with the member.

'(3) The board must decide the rates on which it will offer pensions after receiving the advice of the actuary.

'(4) The features that may be offered in a pension include—

- (a) a guaranteed period of payment; and
- (b) a level of reversion to another person; and
- (c) a level of indexation.

'Purchase of annuity

'89M.(1) This section applies if a member ceases to be an employed member.

SCHEDULE 2 (continued)

‘(2) On the member’s request, the board may buy, with all or part of the amount held in the member’s accumulation account, an annuity in the member’s name from a registered life office.’.

Amendment of s 90 (Preservation and portability on ceasing to be member)

56.(1) Section 90, heading, ‘member’—

omit, insert—

‘an employed member’.

(2) Section 90(1)—

omit, insert—

‘90.(1) If a member ceases to be an employed member and has not been paid benefits under part 4, division 1, the amount in the member’s accumulation account must be—

- (a) if the member elects—transferred within the superannuation system; or
- (b) otherwise—kept in the accumulation account.’.

Amendment of s 91 (Preservation and portability while member)

57.(1) Section 91(1), ‘account’—

omit, insert—

‘accumulation account’.

(2) Section 91—

insert—

‘(3) The board may impose reasonable constraints on minimum amounts, times and frequencies of withdrawals, having regard to the proper administration of the scheme.’.

SCHEDULE 2 (continued)

Insertion of new s 91A

58. Chapter 3, part 5, after section 91—

insert—

‘Transitional—interest credited to employed members

‘91A.(1) This section applies to an employed member in an accumulation category.

‘(2) Until 30 June 2000—

- (a) section 78 does not apply in relation to the member; and
- (b) section 68, definitions “member’s accumulated employer contributions” and “member’s accumulated personal contributions”, as in force immediately before the commencement of this section, continue to apply in relation to the member; and
- (c) sections 77(4) and (5) and 78, as in force immediately before the commencement of this section, continue to apply in relation to the member.’.

Replacement of ch 4 hdg (State 58 members)

59. Chapter 4, heading—

omit, insert—

‘CHAPTER 4—STATE 58 CATEGORY’.

Amendment of ch 4, pt 3, div 1 hdg (Benefits transferred to preservation account)

60. Chapter 4, part 3, division 1, heading, ‘preservation’—

omit, insert—

‘accumulation’.

SCHEDULE 2 (continued)

Amendment of s 109 (Preservation account)

61.(1) Section 109, heading, ‘Preservation’—

omit, insert—

‘Accumulation’.

(2) Section 109, ‘voluntary preservation account’—

omit, insert—

‘accumulation account’.

Replacement of ch 5 hdg (State 72 members)

62. Chapter 5, heading—

omit, insert—

‘CHAPTER 5—STATE 72 CATEGORY’.

Amendment of s 168 (Commencement and cessation of contributions)

63. Section 168—

insert—

‘(3) An officer does not stop being a member in the State 72 category merely because the officer’s contributions cease to be payable under subsection (2).

‘(4) If an officer’s contributions cease to be payable under subsection (2)(b) or (c) but the officer continues to be an employed member, the officer starts being a member in the comprehensive accumulation category on the day after the day the contributions cease to be payable.’.

SCHEDULE 2 (continued)

Amendment of ch 5, pt 3, div 1 hdg (Benefits transferred to preservation account)

64. Chapter 5, part 3, division 1, heading, ‘preservation’—
omit, insert—
‘accumulation’.

Amendment of s 175 (Preservation account)

65.(1) Section 175, heading, ‘Preservation’—
omit, insert—
‘Accumulation’.

(2) Section 175, ‘voluntary preservation account’—
omit, insert—
‘accumulation account’.

Replacement of ch 6 hdg (Police 68 members)

66. Chapter 6, heading—
omit, insert—

‘CHAPTER 6—POLICE 68 CATEGORY’.**Amendment of ch 6, pt 3, div 1 hdg (Benefits transferred to preservation account)**

67. Chapter 6, part 3, division 1, heading, ‘preservation’—
omit, insert—
‘accumulation’.

SCHEDULE 2 (continued)

Amendment of s 233 (Preservation account)

68.(1) Section 233, heading, ‘Preservation’—

omit, insert—

‘Accumulation’.

(2) Section 233, ‘voluntary preservation account’—

omit, insert—

‘accumulation account’.

Amendment of s 263 (Application of pt 5)

69. Section 263, heading—

omit, insert—

‘Application of pt 4’.

Replacement of ch 7 hdg (Police 74 members)

70. Chapter 7, heading—

omit, insert—

‘CHAPTER 7—POLICE 74 CATEGORY’.

Amendment of ch 7, pt 3, div 1 hdg (Benefits transferred to preservation account)

71. Chapter 7, part 3, division 1, heading, ‘preservation’—

omit, insert—

‘accumulation’.

SCHEDULE 2 (continued)

Amendment of s 288 (Preservation account)

72.(1) Section 288, heading, ‘Preservation’—
omit, insert—

‘Accumulation’.

(2) Section 288, ‘voluntary preservation account’—
omit, insert—
‘accumulation account’.

Replacement of ch 8 hdg (Fire members)

73. Chapter 8, heading—
omit, insert—

‘CHAPTER 8—FIRE CATEGORY’.

Omission of ch 8, pt 1 hdg (Preliminary)

74. Chapter 8, part 1, heading—
omit.

Amendment of s 320 (Application)

75. Section 320, ‘fire members’—
omit, insert—
‘members in the fire category’.

SCHEDULE 2 (continued)

Amendment of s 321 (Definitions for ch 8)

76. Section 321, definitions “authority”, “chief commissioner”, “preserved amount”, “preservation cashing condition” and “unclaimed benefit”—

omit.

Omission of ch 8, pts 2 and 3

77. Chapter 8, parts 2 and 3—

omit.

Omission of ch 8, pt 4 hdg (Miscellaneous)

78. Chapter 8, part 4, heading—

omit.

Omission of s 330 (Preservation account)

79. Section 330—

omit.

Omission of s 331A (Change of membership category)

80. Section 331A—

omit.

Omission of ch 9 (Preservation members)

81. Chapter 9—

omit.

SCHEDULE 2 (continued)

Amendment of sch 1 (Percentages for benefits)

82.(1) Schedule 1, section 1, ‘17.5%’—

omit, insert—

‘12.5%’.

(2) Schedule 1, section 1, ‘3.5%’—

omit, insert—

‘8.5%’.

(3) Schedule 1, sections 2 and 7—

omit.

ENDNOTES

1. Made by the Governor in Council on 27 April 2000.
2. The amendments approved by this regulation were made by the Board of Trustees of the State Public Sector Superannuation Scheme on 13 April 2000.
3. Notified in the gazette on 28 April 2000.
4. Laid before the Legislative Assembly on . . .
5. The administering agency is the Government Superannuation Office.