

South Australia



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ELIZABETHAE II REGINAE
A.D. 2000

**SOUTHERN STATE SUPERANNUATION (CONTRIBUTIONS)
AMENDMENT ACT 2000**

No. 56 of 2000

[Assented to 20 July 2000]

An Act to amend the Southern State Superannuation Act 1994.

SUMMARY OF PROVISIONS

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The Parliament of South Australia enacts as follows:**Short title**

1. (1) This Act may be cited as the *Southern State Superannuation (Contributions) Amendment Act 2000*.

(2) The *Southern State Superannuation Act 1994* is referred to in this Act as "the principal Act".

Commencement

2. This Act will come into operation on a day to be fixed by proclamation.

Amendment of s. 3—Interpretation

3. Section 3 of the principal Act is amended—

(a) by striking out from paragraph (a) of the definition of "charge percentage" in subsection (1) "that the value of the charge percentage will be greater than the value prescribed by paragraph (b) or (c)" and substituting "as to the value of the charge percentage";

(b) by inserting the following definition after the definition of "member of the police force" in subsection (1):

"monetary salary" means salary of a kind other than non-monetary salary;;

(c) by inserting the following definition after the definition of "non-monetary remuneration" in subsection (1):

"non-monetary salary" means non-monetary remuneration of a kind referred to in subsection (3);;

(d) by striking out subsection (3) and substituting the following subsection:

(3) Non-monetary remuneration received by a member as the result of the sacrifice by the member of part of his or her salary in accordance with—

(a) a contract negotiated between the member and his or her employer that specifies the conditions of the member's employment; or

(b) an award; or

(c) an enterprise agreement prescribed by regulation for the purpose of this subsection,

is included in the definition of "salary" in subsection (1).

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

4. Section 9 of the principal Act is amended by inserting the following paragraph after paragraph (a) of subsection (2):

(aaa) payments to the Treasurer by or on behalf of employers under section 15B;

Amendment of s. 14—Membership

5. Section 14 of the principal Act is amended by inserting the following subsection after subsection (8):

(9) A person who has made an election under section 15B(1) is a member of the Triple S scheme.

Insertion of s. 15B

6. The following section is inserted after section 15A of the principal Act:

Salary sacrifice by members of State Scheme

15B. (1) A person who is an active contributor to the State Scheme may elect, by notice in writing to the Board, to become a member of the Triple S scheme in order to establish an entitlement to the employer component of benefits under Part 5 by sacrificing part of his or her salary in accordance with—

- (a) a contract negotiated between the person and his or her employer that specifies the conditions of the person's employment; or
- (b) an award; or
- (c) an enterprise agreement prescribed by regulation for the purposes of section 3(3).

(2) Subject to subsection (3), where a person has elected to become a member of the Triple S scheme under subsection (1), the employer must, within seven days after salary is paid to the member, pay to the Treasurer an amount (or arrange for the payment within that period to the Treasurer of an amount) equivalent to the member's non-monetary salary that is allocated for the purpose of the employer component of benefits under Part 5 in accordance with the contract, award or enterprise agreement.

(3) Subsection (2) does not apply to, or in relation to, a member during a period in which he or she is not an active contributor to the State Scheme except where the member is not an active contributor because of section 23(7) of the *Superannuation Act 1988*.

(4) The amount of the charge percentage in respect of a person who has elected to become a member of the Triple S scheme under subsection (1) is zero.

(5) A person who has elected to become a member of the Triple S scheme under subsection (1)—

- (a) is not entitled to make contributions under section 25;
- (b) is entitled to the employer component of benefits under Part 5 but is not entitled to any other benefit under this Act in his or her capacity as a member under this section.

Amendment of s. 25—Contributions

7. Section 25 of the principal Act is amended—

- (a) by striking out "of salary" from subsection (1) and substituting "of the combined value of the monetary and non-monetary salary (if any) to which the member is entitled in each period in respect of which salary is paid to the member";
- (b) by striking out ", subject to subsection (7)," from subsection (6);
- (c) by striking out subsections (7), (7a), (8) and (8a) and substituting the following subsections:

(7) Where, following a change in a member's salary, it will be difficult for an employer to determine the amount of the member's contribution for the first payment period to which the new contribution applies, the Board may, by notice in writing to the employer, direct that the member's contributions will, until a date specified in the notice, be determined in accordance with this section as in force immediately before the commencement of the *Southern State Superannuation (Contributions) Amendment Act 2000*.

(8) A notice under subsection (7) may be varied or revoked by the Board by subsequent notice served on the employer.;

- (d) by striking out from subsection (9) "but if the aggregate of the weekly payments and the salary (if any) of the member is less than the salary that the member would have received if not incapacitated, the Board may allow a proportionate reduction in the amount of the contributions for that period";
- (e) by striking out subsection (10) and substituting the following subsection:

(10) Contributions are payable from the member's monetary salary on the days on which monetary salary is paid to the member.

Amendment of s. 25A—Additional contributions

8. Section 25A of the principal Act is amended by striking out "contributions to the Treasurer under this section" from subsection (1) and substituting "monetary contributions to the Treasurer under this section that are not related to the member's salary".

Amendment of s. 26—Payments by employers

9. Section 26 of the principal Act is amended—

- (a) by striking out the definition of "S" from subsection (1) and substituting the following definition:

S is the amount of salary paid to the member or, if the member is entitled to both monetary and non-monetary salary, S is the aggregate of the monetary and non-monetary salary to which the member is entitled;

(b) by inserting the following subsection after subsection (1):

(1a) Where pursuant to an award or enterprise agreement the whole or part of a member's non-monetary salary is allocated for the purpose of increasing the employer component of the member's benefits under Part 5, the employer must, within seven days after salary is paid to the member, pay to the Treasurer an amount (or arrange for the payment within that period to the Treasurer of an amount) equivalent to the member's non-monetary salary that is allocated for that purpose.;

(c) by inserting "or (1a)" after "subsection (1)" in subsection (2).

Amendment of s. 27—Employer contribution accounts

10. Section 27 of the principal Act is amended—

(a) by striking out "Subject to subsection (7), a" from subsection (2) and substituting "A";

(b) by striking out "section 26" from subsection (2) and substituting "section 26(1)";

(c) by inserting the following subsections after subsection (2):

(2a) The employer contribution account of a member referred to in section 26(1a) must be credited with amounts that are equivalent to the amounts paid or payable by, or on behalf of, the member's employer to the Treasurer under section 26(1a) in respect of the member.

(2b) The employer contribution account of a person who has elected to become a member of the Triple S scheme under section 15B must be credited with amounts that are equivalent to the amounts paid or payable by, or on behalf of, the member's employer to the Treasurer under section 15B(2) in respect of the member.;

(d) by striking out subsection (7) and substituting the following subsections:

(7) The following amounts must be debited against the employer contribution accounts of members (other than members referred to in subsection (7a)):

- (a) an administrative charge to be fixed by the Board (different charges may be fixed depending on the balance of members' accounts or any other relevant factor); and
- (b) the future service benefit factor which, subject to subsection (8), has the value fixed by the Board; and
- (c) the disability pension factor which, subject to subsection (9), has the value fixed by the Board.

(7a) An administrative charge to be fixed by the Board must be debited against the employer contribution accounts of persons who have elected to become members of the Triple S scheme under section 15B (different charges may be fixed depending on the balance of members' accounts or any other relevant factor).

Amendment of s. 33A—Disability pension

11. Section 33A of the principal Act is amended by striking out subsections (4) and (5) and substituting the following subsections:

(4) Subject to subsection (5), a member is only entitled to a pension if for a period of at least 12 months immediately before the commencement of the incapacity—

- (a) the member made contributions from his or her salary under section 25; or
- (b) in the case of a member whose charge percentage is determined in a contract of employment negotiated between the member and his or her employer—the charge percentage was greater than the charge percentage or percentages fixed by Schedule 1 for that period; or
- (c) the member's employer was required to pay, or arrange for the payment of, amounts to the Treasurer under section 26(1a) in respect of the member; or
- (d) the circumstances referred to in two or all of subparagraphs (a), (b) and (c) applied at the same time or at different times throughout that period.

(5) Subsection (4) does not apply to a member if—

- (a) the incapacity was caused by accidental injury and, when the incapacity occurred—
 - (i) the member was making contributions from his or her salary under section 25; or
 - (ii) in the case of a member whose charge percentage is determined in a contract of employment negotiated between the member and his or her employer—the charge percentage was greater than the charge percentage applicable under Schedule 1 at that time; or
 - (iii) the member's employer was required to pay, or arrange for the payment of, amounts to the Treasurer under section 26(1a) in respect of the member; or
- (b) when the incapacity occurred the member was a supplementary future service benefit member by virtue of having been accepted as such a member under section 22 or of being a member of the police force or a police cadet and—
 - (i) was making contributions from his or her salary under section 25; or
 - (ii) in the case of a member whose charge percentage is determined in a contract of employment negotiated between the member and his or her employer—the charge percentage was greater than the charge percentage applicable under Schedule 1 at that time; or
 - (iii) the member's employer was required to pay, or arrange for the payment of, amounts to the Treasurer under section 26(1a) in respect of the member.