



TASMANIA

**PARLIAMENTARY BENEFITS (SUPERANNUATION AND
RETIRING BENEFITS LEGISLATION) AMENDMENT ACT 1990**

No. 33 of 1990

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**PARLIAMENTARY BENEFITS (SUPERANNUATION AND
RETIRING BENEFITS LEGISLATION) AMENDMENT ACT 1990**

No. 33 of 1990

**AN ACT to amend the *Parliamentary Superannuation Act 1973* and
the *Parliamentary Retiring Benefits Act 1985***

[Royal Assent 7 December]

BE it enacted by His Excellency the Governor of Tasmania, by and
with the advice and consent of the Legislative Council and House
of Assembly, in Parliament assembled, as follows:—

PART 1

PRELIMINARY

Short title

1—This Act may be cited as the *Parliamentary Benefits
(Superannuation and Retiring Benefits Legislation) Amendment Act 1990*.

Commencement

2—This Act is deemed to have commenced on 1 July 1990.

PART 2

AMENDMENTS OF THE PARLIAMENTARY SUPERANNUATION ACT 1973*

Section 3 amended (Interpretation)

3—Section 3 (1) of the *Parliamentary Superannuation Act 1973* is amended by inserting “and repayments” in the definition of “contributions” after “contributions”.

Section 4 amended (The Fund)

4—Section 4 of the *Parliamentary Superannuation Act 1973* is amended by omitting subsection (4) and substituting the following subsection:—

(4) The Fund shall be managed by the Trust.

Sections 14A and 14B inserted

5—After section 14 of the *Parliamentary Superannuation Act 1973* the following sections are inserted in Part III:—

Interest on contributions

14A—(1) A member who makes contributions to the Fund is entitled to the payment of interest on the amount of those contributions.

(2) For the purposes of subsection (1)—

(a) the interest on the amount of contributions shall be at such rate and be subject to such conditions as the Trust, on the advice of the Actuary, determines; and

(b) the interest in respect of—

(i) contributions paid before 1 July 1990 accrues on and after that day; and

(ii) contributions paid on or after 1 July 1990 accrues on and after the day on which those contributions are paid; and

(c) the interest ceases to accrue on the day that the Trust advises the contributor of the amount of any refund to which the contributor is entitled pursuant to section 18.

* Act No. 28 of 1973. Amended by No. 70 of 1973, No. 67 of 1974, No. 41 of 1976, No. 88 of 1979, Nos. 15, 92 and 99 of 1982, No. 29 of 1984, No. 105 of 1985, No. 1 of 1986, No. 57 of 1988, No. 42 of 1989 and No. 5 of 1990. Affected by No. 62 of 1983 and No. 41 of 1985.

Contributions and interest vest in member

14B—Contributions made by a member, and any interest allocated to those contributions under section 14A, vest in the member.

Section 18 amended (Refunds of contributions)

6—Section 18 of the *Parliamentary Superannuation Act 1973* is amended by omitting subsection (6) and substituting the following subsection:—

(6) A person who is entitled to a refund of contributions under this Act is entitled to be paid an amount that is equal to the sum of—

- (a) that member's contributions; and
- (b) interest on those contributions in accordance with section 14A.

Section 19 amended (Pension for spouse of deceased member or former member)

7—Section 19 (2) of the *Parliamentary Superannuation Act 1973* is amended by omitting paragraph (a) and substituting the following paragraph:—

- (a) five-eighths of the pension that, in the absence of any commutation by the former member under section 22B, would have been payable to the former member but for his or her death; or

Section 22B amended (Commutation of existing members, &c., entitlements)

8—Section 22B of the *Parliamentary Superannuation Act 1973* is amended as follows:—

- (a) by omitting from subsection (1) “that pension entitlement” and substituting “either 50% or 100% of that pension entitlement”;
- (b) by omitting from subsection (2) “which, but for his election, he would have been entitled to receive” and substituting “forgone by that person”;

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(c) by omitting subsection (3) and substituting the following subsection:—

(3) Where a person elects to commute to a lump sum 50% or 100% of a pension entitlement in accordance with subsection (1), payment of that lump sum shall be made within 14 days of the expiration of the period of 28 days referred to in subsection (1).

(d) by inserting the following subsection after subsection (3):—

(3A) Where a person is paid a lump sum under subsection (2), in respect of a pension entitlement referred to in Division I or Division II, the pension to which that person or the spouse of that person is entitled is reduced by the percentage nominated in the election.

(e) by omitting subsections (4) and (5) and substituting the following subsections:—

(4) Where a person elects, under subsection (1), to commute to a lump sum the whole of a pension entitlement referred to in Division I, all entitlements under this Act in respect of that person and that person's spouse and children, if any, cease upon payment of that lump sum being made in accordance with subsection (2).

(5) Where a person elects, under subsection (1), to commute to a lump sum the whole of a pension entitlement referred to in Division II, all entitlements under this Act in respect of that person cease upon payment of that lump sum being made in accordance with subsection (2).

Section 24 amended (Termination of pensions in certain cases)

9—Section 24 (2) of the *Parliamentary Superannuation Act 1973* is amended by omitting “commuted a pension” and substituting “commuted the whole or part of a pension”

Section 25 amended (Suspension of pensions)

10—Section 25 of the *Parliamentary Superannuation Act 1973* is amended by inserting before subsection (1) the following subsection:—

(1AA) In this section “contributions” includes any interest on those contributions.

Section 27A inserted

11—After section 27 of the *Parliamentary Superannuation Act 1973*, the following section is inserted:—

Application of Commonwealth Occupational Superannuation Standards

27A—Such of the requirements of the standards prescribed for the purposes of the *Occupational Superannuation Standards Act 1987* of the Commonwealth and in force from time to time as are applicable to matters arising under this Act have effect in relation to those matters as if they were included in this Act.

PART 3

AMENDMENTS OF THE PARLIAMENTARY RETIRING BENEFITS ACT 1985[†]

Section 4 amended (Parliamentary Retiring Benefits Fund)

12—Section 4 of the *Parliamentary Retiring Benefits Act 1985* is amended by omitting subsection (4) and substituting the following subsection:—

(4) The Fund shall be managed by the Trust.

Sections 10A and 10B inserted

13—After section 10 of the *Parliamentary Retiring Benefits Act 1985* the following sections are inserted:—

Interest on contributions

10A—(1) A member who makes contributions to the Fund pursuant to section 9 is entitled to the payment of interest on the amount of those contributions.

(2) For the purposes of subsection (1)—

(a) the interest on the amount of contributions shall be at such rate and be subject to such conditions as the Trust, on the advice of the Actuary, determines; and

[†] No. 106 of 1985.

- (b) the interest in respect of—
- (i) contributions paid before 1 July 1990 accrues on and after that day; and
 - (ii) contributions paid on or after 1 July 1990 accrues on and after the day on which those contributions are paid; and
- (c) the interest ceases to accrue on the day that the Trust advises the contributor of the amount of any refund to which the contributor is entitled pursuant to section 18 (a).

Contributions and interest vest in member

10B—Contributions made by a member, and any interest allocated to those contributions under section 10A, vest in the member.

Section 18 substituted

14—Section 18 of the *Parliamentary Retiring Benefits Act 1985* is repealed and the following section is substituted:—

Payment of termination benefit

18—The Trust shall pay out of the Fund to a person who is eligible for a termination payment a lump sum payment, being the greater of—

- (a) a refund of contributions with interest on those contributions in accordance with section 10A; or
- (b) an amount determined in accordance with the following formula:—

$$P = \left(\frac{n}{5} + 1\right) C$$

where—

“P” is the amount to be paid; and

“n” is the number of years of service of the member (not exceeding 10); and

“C” is the total of the member’s contributions made during the member’s period of service.

Section 19A inserted

15—Before section 20 of the *Parliamentary Retiring Benefits Act 1985*, the following section is inserted in Part V:—

Application of Commonwealth Occupational Superannuation Standards

19A—Such of the requirements of the standards prescribed for the purposes of the *Occupational Superannuation Standards Act 1987* of the Commonwealth and in force from time to time as are applicable to matters arising under this Act have effect in relation to those matters as if they were included in this Act.

