# STATE PUBLIC SERVICE SUPERANNUATION (RETRENCHMENT) AMENDMENT BILL 1987

### **NEW SOUTH WALES**



### **EXPLANATORY NOTE**

## (This Explanatory Note relates to this Bill as introduced into Parliament)

This Bill is cognate with the Superannuation (Retrenchment) Amendment Bill 1987.

The object of this Bill is to amend the State Public Service Superannuation Act 1985 so as—

- (a) to provide that, where the employment of contributors under that Act is terminated as a result of their acceptance of an offer by their employer of retrenchment conditions, those contributors will be entitled to receive the retrenchment benefits under that Act; and
- (b) to provide for such benefits to be paid to contributors who are retrenched after being members of the State Public Service Superannuation Fund for only 3 years instead of 10 years as is currently the case.

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides that the proposed Act shall be deemed to have commenced on 13 February 1987.

Clause 3 is a formal provision which gives effect to the Schedule of amendments to the Principal Act.

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Schedule 1 (1) amends section 5 of the Principal Act, which defines certain expressions for the purposes of that Act by inserting a definition of "discharge" and substituting a definition of "retrenchment" for the existing definition of "retrench". "Discharge" is defined as the cessation of a contributor's employment because the period for which the contributor was originally employed has come to an end. The substituted definition of "retrenchment" will include not only compulsory retrenchment of a contributor's employment but also the voluntary termination of a contributor's employer as a result of the acceptance by the contributor of an offer by the contributor's employer of terms of retrenchment. The existing grounds for retrenchment will apply to both compulsory and voluntary termination of a contributor's employment.

Schedule 1 (2) amends section 25 of the Principal Act, which defines certain expressions for the purposes of Part V of that Act, by modifying the definition of the expression of "membership period". The amendment is consequential on the amendment to be made to section 33 of the Principal Act by Schedule 1 (3).

Schedule 1 (3) amends section 33 of the Principal Act, which prescribes the benefits payable to contributors who are retrenched before reaching early retirement age. As a result of the amendment, the benefit under section 33 (2) of the Principal Act will become payable when a contributor is retrenched after a membership period of 3 years. At present this benefit is not payable until the contributor has a membership period of at least 10 years. In consequence, section 33 (3) of the Principal Act is to be substituted and a new subsection is to be added to section 33 so as to enable a period of membership of the Public Service Superannuation Fund to be taken into account in determining whether or not a retrenched contributor has been a member of the State Public Service Superannuation Fund for a period of at least 3 years.

Schedule 1 (4) amends section 34 of the Principal Act, which enables a contributor to have a benefit under that Act preserved in certain circumstances until a later date. The amendment will enable a contributor who is retrenched to elect to preserve a retrenchment benefit to which the contributor is entitled under section 33 (2) of that Act.

# STATE PUBLIC SERVICE SUPERANNUATION (RETRENCHMENT) AMENDMENT BILL 1987

# **NEW SOUTH WALES**



### TABLE OF PROVISIONS

- 1. Short title
- 2. Commencement
- 3. Amendment of Act No. 45, 1985

SCHEDULE 1—AMENDMENTS TO THE STATE PUBLIC SERVICE SUPERANNUATION ACT 1985



# STATE PUBLIC SERVICE SUPERANNUATION (RETRENCHMENT) AMENDMENT BILL 1987

# **NEW SOUTH WALES**



No. , 1987

# A BILL FOR

An Act to amend the State Public Service Superannuation Act 1985 for the purpose of making further provision with respect to the payment of benefits to retrenched contributors and for related purposes.

**BE** it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:

### 5 Short title

1. This Act may be cited as the "State Public Service Superannuation (Retrenchment) Amendment Act 1987".

#### Commencement

2. This Act shall be deemed to have commenced on 13 February 1987.

## 10 Amendment of Act No. 45, 1985

3. The State Public Service Superannuation Act 1985 is amended in the manner set forth in Schedule 1.

#### SCHEDULE 1

(Sec. 3)

# 15 AMENDMENTS TO THE STATE PUBLIC SERVICE SUPERANNUATION ACT 1985

- (1) Section 5 (Interpretation)—
  - (a) Section 5 (1), definition of "discharge"—

After the definition of "contributor's component", insert:

"discharge", in relation to a contributor, means the cessation of the contributor's employment with an employer expressed by the employer to be on the ground that the period, or successive periods, for which the contributor was employed has or have ended;

# AMENDMENTS TO THE STATE PUBLIC SERVICE SUPERANNUATION ACT 1985—continued

(b) Section 5 (1), definition of "retrenchment"—

Omit the definition of "retrench", insert instead:

- "retrenchment", in relation to a contributor, means the termination of the employment of the contributor with an employer where the employment is expressed by the employer to be—
  - (a) compulsorily terminated by the employer on the ground that—
    - (i) the employer no longer requires the contributor's services and, on termination of the contributor's employment, does not propose to fill the contributor's position;
    - (ii) the work which the contributor was engaged to perform has been completed; or
    - (iii) the amount of work that the employer required to be performed has diminished and, due to that fact, it has become necessary to reduce the number of employees employed by the employer; or
  - (b) terminated as a result of the acceptance by the contributor of an offer by the employer of terms of retrenchment made on a ground specified in paragraph (a):
- (2) Section 25 (Interpretation)—

Section 25 (1), definition of "membership period"—

- 25 After "means", insert ", subject to section 33 (4),".
  - (3) Section 33 (Benefit on retrenchment before age 55)—
    - (a) Section 33 (2)—

Omit "10 years", insert instead "3 years".

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# AMENDMENTS TO THE STATE PUBLIC SERVICE SUPERANNUATION ACT 1985—continued

(b) Section 33 (3)—

Omit the subsection, insert instead:

- (3) The benefit provided by this section for a contributor with a membership period of less than 3 years is the amount of the contributor's component.
- (c) Section 33 (4)—

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After section 33 (3), insert:

- (4) In ascertaining whether or not a contributor has a membership period of 3 years or more for the purposes of this section, such a period shall be taken to include any period during which he or she was a contributor to the Public Authorities Superannuation Fund provided that—
  - (a) the contributor's membership of the Fund and the Public Authorities Superannuation Fund was continuous; and
  - (b) the contributor was, by virtue of a provision of the Public Authorities Superannuation Act 1985, required to make provision for the preservation of a benefit under that Act in respect of employment by an employer within the meaning of that Act.
- 20 (4) Section 34 (Preserved benefit)—

Section 34 (1)—

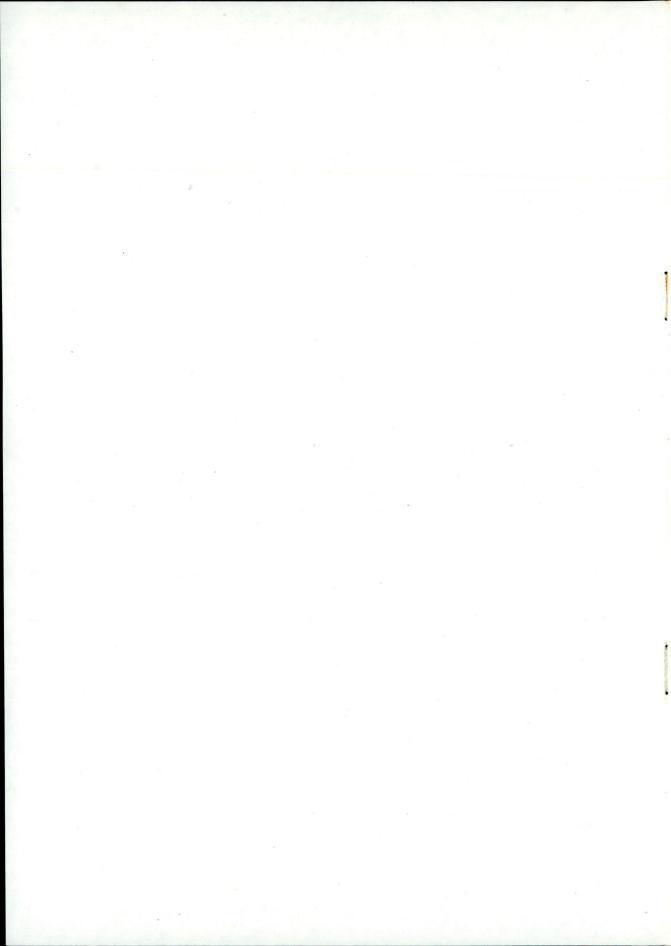
Omit the subsection, insert instead:

- (1) A contributor who has—
- (a) not less than 3 years after his or her entry date become entitled to be paid a benefit under section 32 (benefit on resignation, dismissal or discharge before age 55); or

# AMENDMENTS TO THE STATE PUBLIC SERVICE SUPERANNUATION ACT 1985—continued

(b) become entitled to be paid a benefit under section 33 (2) (benefit on retrenchment before age 55),

may elect to make provision instead for a benefit provided by this section.



# STATE PUBLIC SERVICE SUPERANNUATION (RETRENCHMENT) AMENDMENT ACT 1987 No. 42

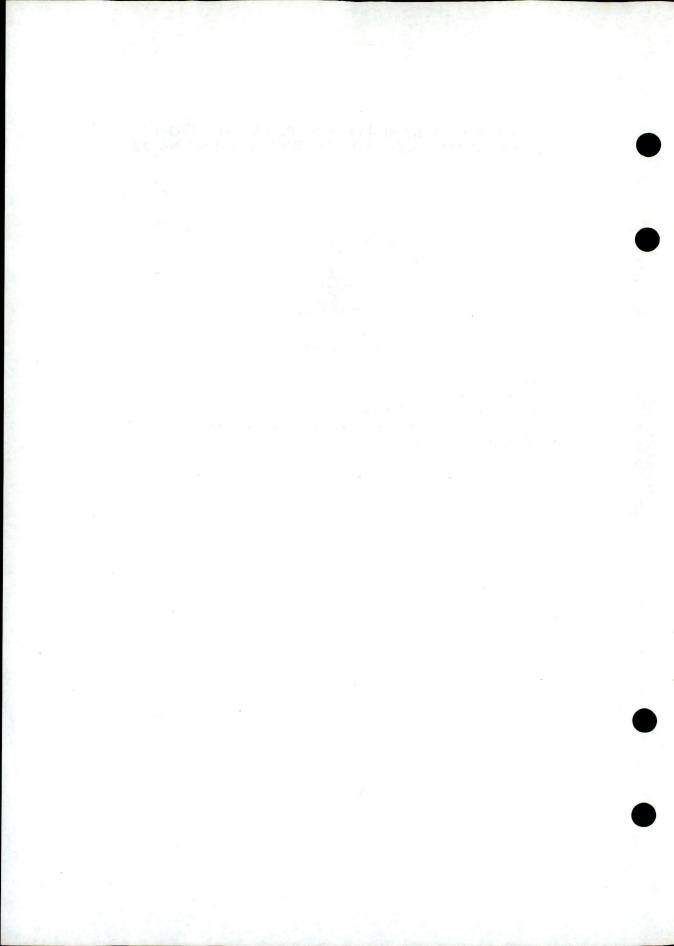
### **NEW SOUTH WALES**



# TABLE OF PROVISIONS

- 1. Short title
- 2. Commencement
- 3. Amendment of Act No. 45, 1985

SCHEDULE 1—AMENDMENTS TO THE STATE PUBLIC SERVICE SUPERANNUATION ACT 1985



# STATE PUBLIC SERVICE SUPERANNUATION (RETRENCHMENT) AMENDMENT ACT 1987 No. 42

# **NEW SOUTH WALES**



# Act No. 42, 1987

An Act to amend the State Public Service Superannuation Act 1985 for the purpose of making further provision with respect to the payment of benefits to retrenched contributors and for related purposes. [Assented to 21 May 1987]

**BE** it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:

#### **Short title**

1. This Act may be cited as the "State Public Service Superannuation (Retrenchment) Amendment Act 1987".

#### Commencement

2. This Act shall be deemed to have commenced on 13 February 1987.

## Amendment of Act No. 45, 1985

3. The State Public Service Superannuation Act 1985 is amended in the manner set forth in Schedule 1.

### SCHEDULE 1

(Sec. 3)

# AMENDMENTS TO THE STATE PUBLIC SERVICE SUPERANNUATION ACT 1985

- (1) Section 5 (Interpretation)—
  - (a) Section 5 (1), definition of "discharge"—

After the definition of "contributor's component", insert:

"discharge", in relation to a contributor, means the cessation of the contributor's employment with an employer expressed by the employer to be on the ground that the period, or successive periods, for which the contributor was employed has or have ended;

# AMENDMENTS TO THE STATE PUBLIC SERVICE SUPERANNUATION ACT 1985—continued

(b) Section 5 (1), definition of "retrenchment"—

Omit the definition of "retrench", insert instead:

- "retrenchment", in relation to a contributor, means the termination of the employment of the contributor with an employer where the employment is expressed by the employer to be—
  - (a) compulsorily terminated by the employer on the ground
    - (i) the employer no longer requires the contributor's services and, on termination of the contributor's employment, does not propose to fill the contributor's position;
    - (ii) the work which the contributor was engaged to perform has been completed; or
    - (iii) the amount of work that the employer required to be performed has diminished and, due to that fact, it has become necessary to reduce the number of employees employed by the employer; or
  - (b) terminated as a result of the acceptance by the contributor of an offer by the employer of terms of retrenchment made on a ground specified in paragraph (a);
- (2) Section 25 (Interpretation)—

Section 25 (1), definition of "membership period"—

After "means", insert ", subject to section 33 (4),".

- (3) Section 33 (Benefit on retrenchment before age 55)—
  - (a) Section 33 (2)—

Omit "10 years", insert instead "3 years".

# AMENDMENTS TO THE STATE PUBLIC SERVICE SUPERANNUATION ACT 1985—continued

(b) Section 33 (3)—

Omit the subsection, insert instead:

- (3) The benefit provided by this section for a contributor with a membership period of less than 3 years is the amount of the contributor's component.
- (c) Section 33 (4)—

After section 33 (3), insert:

- (4) In ascertaining whether or not a contributor has a membership period of 3 years or more for the purposes of this section, such a period shall be taken to include any period during which he or she was a contributor to the Public Authorities Superannuation Fund provided that—
  - (a) the contributor's membership of the Fund and the Public Authorities Superannuation Fund was continuous; and
  - (b) the contributor was, by virtue of a provision of the Public Authorities Superannuation Act 1985, required to make provision for the preservation of a benefit under that Act in respect of employment by an employer within the meaning of that Act.
- (4) Section 34 (Preserved benefit)—

Section 34 (1)—

Omit the subsection, insert instead:

- (1) A contributor who has—
- (a) not less than 3 years after his or her entry date become entitled to be paid a benefit under section 32 (benefit on resignation, dismissal or discharge before age 55); or

# AMENDMENTS TO THE STATE PUBLIC SERVICE SUPERANNUATION ACT 1985—continued

(b) become entitled to be paid a benefit under section 33 (2) (benefit on retrenchment before age 55),

may elect to make provision instead for a benefit provided by this section.

