

SUPERANNUATION.

No. 35 of 1947.

An Act to amend the *Superannuation Act* 1922-1946, as amended by the *Commonwealth Public Service Act* 1947, and for other purposes.

[Assented to 12th June, 1947.]

BE it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows :—

Short title
and citation.

1.—(1.) This Act may be cited as the *Superannuation Act* 1947.

(2.) The *Superannuation Act* 1922-1946*, as amended by the *Commonwealth Public Service Act* 1947†, is in this Act referred to as the Principal Act.

(3.) Section six of the *Commonwealth Public Service Act* 1947 is amended by omitting sub-section (3.).

(4.) The Principal Act, as amended by this Act, may be cited as the *Superannuation Act* 1922-1947.

Commencement.

2. This Act shall come into operation on the day on which it receives the Royal Assent.

* Act No. 33, 1922, as amended by No. 45, 1924; No. 2, 1930; No. 10, 1931; No. 45, 1934; No. 28, 1937; No. 53, 1942; No. 18, 1943; Nos. 15 and 30, 1945; and No. 2, 1946.
† Act No. 1, 1947.

3. Section three of the Principal Act is amended— Parts.
 (a) by inserting after the words "Division 3.—Scale of Contributions by Employees." the words "Division 3A.—Reserve Units of Pension."; and
 (b) by omitting the word "Existing" (second occurring).
4. Section four of the Principal Act is amended— Interpretation
 (a) by inserting in the definition of "Approved authority" in sub-section (1.), after the word "Board", the words ", The Australian National University"; and
 (b) by inserting in the definition of "Employee" in sub-section (1.), after the word "employment" (second occurring), the words ", and includes a person employed under section eighty-one D or eighty-one P of the *Commonwealth Public Service Act 1922-1947* who, immediately prior to his becoming so employed, was a contributor to a State Fund as defined by section sixty AN of this Act".
5. Section six of the Principal Act is amended by adding at the end thereof the following sub-section :— Investment of fund.
 "(2.) Except with the approval of the Treasurer, the Board shall not invest any portion of the fund at a rate of interest less than Three pounds fifteen shillings per centum per annum."
6. Section eleven of the Principal Act is amended by inserting after sub-section (2.) the following sub-section :— Quinquennial investigation by an actuary.
 "(2A.) For the purposes of the investigation, the rate of interest assumed to be earned by the assets of the fund shall not be less than Three pounds fifteen shillings per centum per annum."
7. After section eleven of the Principal Act the following section is inserted in Part II. :— Payments by Commonwealth to fund in respect of interest.
 "11A.—(1.) Where, in relation to any financial year, the amount ascertained in accordance with the formula—

$$1.01875I + .003695 (P + Q)$$
 is less than the amount ascertained in accordance with the formula—

$$.01875 (A + B),$$
 the Commonwealth shall pay to the fund an amount equal to the difference between those amounts.
 "(2.) If any investigation made under the last preceding section discloses a surplus of assets over liabilities of the fund, the amount of the surplus shall be set off against the amount or amounts otherwise payable by the Commonwealth to the fund under the last preceding sub-section.
 "(3.) For the purpose of making calculations, in relation to any financial year, in accordance with the formulae contained in sub-section (1.) of this section—
 (a) I means the total amount of interest, dividends and rents credited to the fund during that financial year, together

with any profit derived from the realization or appreciation of assets, less the amount of any interest charges and the amount of any depreciation or loss on realization of assets ;

- (b) A means the amount of the fund at the beginning of that financial year ;
- (c) B means the amount of the fund at the end of that financial year ;
- (d) P means the amount of the Provident Account at the beginning of that financial year ; and
- (e) Q means the amount of the Provident Account at the end of that financial year.”.

Commencement
and cessation of
contributions.

8. Section twelve of the Principal Act is amended by inserting in sub-section (1.), after the word “employee” (first occurring), the words “(not being a State employee within the meaning of Part IVd. of this Act)”.

Scale of units
of pension.

9. Section thirteen of the Principal Act is amended by omitting from sub-section (1.) the scale contained therein and inserting in its stead the following scale :—

COLUMN ONE.		COLUMN TWO.	COLUMN THREE.	
Where the Annual Salary of the Employee—		The employee shall contribute the amount necessary to provide units of pension as under—	Equivalent to an annual pension of—	
	£		£	s. d.
Does not exceed	130 ..	Two units	65	0 0
Exceeds 130 and does not exceed	156 ..	Two and a half units ..	81	5 0
Exceeds 156 and does not exceed	208 ..	Three units	97	10 0
Exceeds 208 and does not exceed	260 ..	Four units	130	0 0
Exceeds 260 and does not exceed	312 ..	Five units	162	10 0
Exceeds 312 and does not exceed	364 ..	Six units	195	0 0
Exceeds 364 and does not exceed	416 ..	Seven units	227	10 0
Exceeds 416 and does not exceed	468 ..	Eight units	260	0 0
Exceeds 468 and does not exceed	520 ..	Nine units	292	10 0
Exceeds 520 and does not exceed	572 ..	Ten units	325	0 0
Exceeds 572 and does not exceed	624 ..	Eleven units	357	10 0
Exceeds 624 and does not exceed	676 ..	Twelve units	390	0 0
Exceeds 676 and does not exceed	728 ..	Thirteen units	422	10 0
Exceeds 728 and does not exceed	780 ..	Fourteen units	455	0 0
Exceeds 780 and does not exceed	832 ..	Fifteen units	487	10 0
Exceeds 832 and does not exceed	884 ..	Sixteen units	520	0 0
Exceeds 884 and does not exceed	936 ..	Seventeen units	552	10 0
Exceeds 936 and does not exceed	988 ..	Eighteen units	585	0 0
Exceeds 988 and does not exceed	1,040 ..	Nineteen units	617	10 0
Exceeds 1,040 and does not exceed	1,144 ..	Twenty units	650	0 0
Exceeds 1,144 and does not exceed	1,248 ..	Twenty-one units	682	10 0
Exceeds 1,248 and does not exceed	1,352 ..	Twenty-two units	715	0 0
Exceeds 1,352 and does not exceed	1,456 ..	Twenty-three units	747	10 0
Exceeds 1,456 and does not exceed	1,560 ..	Twenty-four units	780	0 0
Exceeds 1,560 and does not exceed	1,664 ..	Twenty-five units	812	10 0
Exceeds 1,664	Twenty-six units	845	0 0

10. After section sixteen A of the Principal Act the following section is inserted :—

“ 16B.—(1.) A contributor who has made an election in accordance with the last preceding section and becomes eligible or is required to contribute for an additional unit or units of pension in pursuance of this Act may, within the prescribed time, elect to contribute for that additional unit, or those additional units, at the appropriate rate based on a retiring age of sixty-five years. Election to contribute for additional units at sixty-five years of age.

“ (2.) A contributor who—

- (a) has made an election in accordance with the last preceding section ;
- (b) has completed his contributions in accordance with the provisions of this Act ; and
- (c) but for the fact that he has so completed his contributions, would have been eligible or required to contribute for an additional unit or units of pension in pursuance of the provisions of this Act,

may, within the prescribed time, elect to contribute for that additional unit, or those additional units, at the appropriate rate based on a retiring age of sixty-five years.

“ (3.) Where a contributor has made an election under either of the last two preceding sub-sections—

- (a) any further additional unit of pension for which he commences to contribute after that election shall be at the appropriate rate based on a retiring age of sixty-five years ; and
- (b) the maximum age for retirement of that contributor shall, in respect of all the additional units of pension in relation to which this section applies, be sixty-five years.”.

11. After Division 3 of Part III. of the Principal Act the following Division is inserted :—

“ DIVISION 3A.—*Reserve Units of Pension.*

“ 17A. There shall be a Reserve Units of Pension Account (in this Division referred to as ‘ the Account ’), which shall form part of the fund and into which shall be paid all contributions made by contributors under this Division. Reserve Units of Pension Account.

“ 17B.—(1.) A contributor who is contributing for the number of units of pension corresponding to the salary-group within which his salary falls may, from time to time, elect to contribute for one or more reserve units of pension in accordance with this Division. Contribution for reserve units of pension.

“ (2.) The number of reserve units of pension for which a contributor shall be entitled to contribute shall not exceed four.

“(3.) Contributions in respect of a reserve unit of pension—

(a) shall be in accordance with the rate prescribed in the appropriate Schedule to this Act; and

(b) shall be payable as from the date on which the contributor elects to contribute for that reserve unit of pension, unless that date is not a pay-day, in which case the contributions shall be payable as from the next following pay-day.

Transfer of
contributions
to
Superannuation
Fund.

“17C.—(1.) Where a contributor who is contributing for one or more reserve units of pension becomes eligible or required to contribute for one or more additional units of pension in pursuance of the provisions of this Act, he may elect to transfer to the fund the contributions paid by him to the Account in respect of a number of reserve units of pension not exceeding the number of those additional units of pension.

“(2.) Where a contributor so elects, no further contributions shall be paid into the Account in respect of the reserve units of pension to which the election applies and the contributions payable by the contributor in respect of so many of the additional units of pension as is equal to the number of those reserve units of pension shall be at the same rate as the contributions paid into the Account in respect of those reserve units of pension.

Discontinuance
of contributions.

“17D.—(1.) A contributor who is contributing for one or more reserve units of pension may elect to discontinue his contributions in respect of any or all of those units, in which case he shall be paid from the Account the amount of the contributions already made by him in respect of those reserve units of pension, together with compound interest on those contributions at the specified rate from the respective dates of payment.

“(2.) Where a contributor who is contributing for one or more reserve units of pension ceases to be an employee, there shall be paid to him or to his personal representatives, from the Account, the amount of his contributions to the Account, together with compound interest on those contributions at the specified rate from the respective dates of payment.

“(3.) For the purposes of the last two preceding sub-sections, ‘the specified rate’ means, in relation to any period, a rate determined by the Board in respect of that period.

Contributors
not entitled
to re-elect.

“17E. A contributor who has made an election under section seventeen c or seventeen d of this Act shall not again be eligible to elect to contribute for reserve units of pension.”.

Payments by
Commonwealth
where
contributions
by employee
are at rate
for age.

12. Section eighteen of the Principal Act is amended by omitting the word “one-half” and inserting in its stead the word “three-fifths”.

Payments by
Commonwealth
where
contributions
by employee
are not at rate
for age.

13. Section nineteen of the Principal Act is amended by inserting after sub-section (2.) the following sub-section:—

“(2A.) In addition to the sum determined under the last preceding sub-section, the Commonwealth shall pay to the fund a sum determined by multiplying Six pounds ten shillings (or, in the case of a

pension paid to a widow, other than a pension paid in respect of a child, Three pounds five shillings) by the difference between unity and the fraction referred to in the last preceding sub-section.”.

14. Section twenty-eight of the Principal Act is amended by omitting from sub-section (1.) the words “Twenty-six pounds” and inserting in their stead the words “Thirty-two pounds ten shillings”.

Pension unit.

15. After section twenty-nine of the Principal Act the following section is inserted :—

“29A.—(1.) Where, after the commencement of this section, a contributor retires not less than one year after attaining the maximum age for retirement, the pension payable to him shall be increased by an amount ascertained by multiplying the portion of the pension equivalent to the contributions made by him by a percentage ascertained in accordance with the following table :—

Contributor remaining in Service after attaining maximum age for retirement.

Maximum age for retirement—60 years—		Maximum age for retirement—65 years—	
Age attained on retirement—	Percentage—	Age attained on retirement—	Percentage—
61 years	5	66 years	6
62 years	10	67 years	12
63 years	16	68 years	19
64 years	23	69 years	27
65 years or over ..	31	70 years or over ..	36

“(2.) Where, after the commencement of this section, a married male contributor who has attained the maximum age for retirement dies before retirement, the pension payable to his widow shall be increased by one-half of the amount by which the pension which would have been payable to her husband if he had retired immediately prior to his death would have been increased under the last preceding sub-section.

“(3.) The amount by which a pension is increased in pursuance of either of the last two preceding sub-sections shall be payable from the fund without contribution by the Commonwealth.”.

16. Section thirty-two of the Principal Act is amended by omitting from paragraph (a) of sub-section (1.) the words “Twenty-six pounds” and inserting in their stead the words “Thirty-two pounds ten shillings”.

Pension to widow and children on death of pensioner after retirement.

17. The heading to Division 5 of Part IV. of the Principal Act is amended by omitting the word “Existing”.

Heading amended.

18. Section fifty-nine of the Principal Act is repealed.

19. Section sixty of the Principal Act is amended—

(a) by omitting from sub-section (1.) the words “at the commencement of this Act”;

Assurance policies may be continued or discontinued at option of contributor. Transfer of policies to Board.

(b) by omitting from sub-sections (2.) and (3.) the words “rate of four per centum per annum” and inserting in their stead the words “specified rate”; and

(c) by adding at the end thereof the following sub-section:—

“(4.) For the purposes of the last two preceding sub-sections, ‘the specified rate’ means, in relation to any period, the rate of Four pounds per centum per annum or such lower rate as the Board determines in respect of that period.”.

Payments on retirement.

20. Section sixty Y of the Principal Act is amended by omitting from sub-section (1.) the word “twice” and inserting in its stead the words “two and one-half times”.

Payments on death of contributor with dependants.

21. Section sixty Z of the Principal Act is amended by omitting the word “twice” and inserting in its stead the words “two and one-half times”.

Payments by Commonwealth.

22. Section sixty AE of the Principal Act is amended by omitting from sub-section (1.) all the words after the words “equal to” and inserting in their stead the words “three-fifths of that payment”.

Definitions.

23. Section sixty AN of the Principal Act is amended by omitting the definition of “State employee” and inserting in its stead the following definition:—

“‘State employee’ means an employee who, immediately prior to his becoming an employee, was a contributor to a State Fund, but does not include an employee who became an employee as the result of his having passed a competitive examination;”.

Superannuation rights and obligations of persons formerly employed by States.

24. Section sixty AO of the Principal Act is amended—

(a) by omitting sub-section (1.) and inserting in its stead the following sub-section:—

“(1.) Notwithstanding the provisions of section four B and of section four C of this Act, a State employee who, within three months after the date of his becoming an employee, elects to contribute in accordance with this section and pays to the Board the contributions refunded to him from the State Fund upon his resignation from the State Public Service, shall be liable to make, and, from and including that date, shall be deemed to have been liable to make, contributions to the fund for so many units of pension (including, where necessary, a fraction of a unit) as the actuarial member of the Board certifies will entitle that employee to benefits equivalent to those to which he would have been entitled if he had continued to contribute to the State Fund at the rate at which he was, immediately prior to that date, contributing to the

State Fund, and his contributions in respect of those units of pension shall, subject to sub-section (3.) of this section, be at the same rate.”; and

- (b) by omitting from sub-section (4.) the words “appointment to or the commencement of his employment in the Commonwealth Service” and inserting in their stead the words “becoming an employee”.

25. Section sixty AR of the Principal Act is amended by omitting the words “appointment to, or the commencement of his employment in, the Commonwealth Service” and inserting in their stead the words “becoming an employee”.

Certain amounts to be paid by Commonwealth to Fund.

26. Section eighty A of the Principal Act is amended by omitting from sub-section (2.) the words “or the Provident Account” (wherever occurring) and inserting in their stead the words “, the Provident Account or the Reserve Units of Pension Account”.

Employees paid in sterling.

27. Section eighty B of the Principal Act is repealed and the following section inserted in its stead :—

“ 80B. Where any pension or other benefit is payable under this Act to or in respect of a contributor to the fund, or to or in respect of a contributor to the Provident Account, who was or is a person employed by an approved authority, the approved authority shall pay to the Commonwealth the amount paid by the Commonwealth to the fund or to the Provident Account under this Act in respect of that person and may apply for that purpose any moneys under the control of the approved authority.”.

Payments to Commonwealth by approved authorities.

28.—(1.) Schedules I., III., V. and VII. to the Principal Act are amended by omitting the words “£52 Pension to Member; £26 to Widow” (wherever occurring) and inserting in their stead the words “£65 Pension to Member; £32 10s. 0d. to Widow”.

Schedules

(2.) Schedules II., IV., VI. and VIII. to the Principal Act are amended by omitting the figures “£52” (wherever occurring) and inserting in their stead the figures “£65”.

29.—(1.) Where, immediately prior to the date of commencement of this Act, a contributor (not being a contributor to whom the next succeeding section applies) was contributing a sum which would provide units of pension less than the number of units of pension specified in column two of the scale contained in sub-section (1.) of section thirteen of the Principal Act opposite to the salary-group within which the salary of the contributor fell immediately prior to that date, the contributor may, within twelve months after that date, elect to increase the amount of his contribution to a sum which will provide units of pension not exceeding the number specified in column two of the scale contained in sub-section (1.) of section thirteen of the Principal Act, as amended by this Act, opposite to the salary-group in which his salary fell at the date of commencement of this Act.

Provisions with respect to contributors not contributing for full number of units.

(2.) An election under the last preceding sub-section shall not have effect unless, within six months after the date of the election, the contributor satisfies the Superannuation Board that he is not suffering from any physical or mental defect likely to render him incapable of performing his duties before attaining the maximum age for retirement.

(3.) Any increased contribution payable in pursuance of sub-section (1.) of this section shall be payable as from the date of the election, but where the date from which that contribution is payable is not a pay-day the increased contribution shall be payable as from the next following pay-day.

Provisions with respect to contributors whose salaries exceed £884 per annum.

30.—(1.) Where, immediately prior to the date of commencement of this Act, a contributor whose salary exceeded Eight hundred and eighty-four pounds per annum was contributing for the maximum number of units of pension for which he was eligible or required to contribute, he may, within twelve months after that date, elect to increase the amount of his contribution to a sum which will provide units of pension not exceeding the number specified in column two of the scale contained in sub-section (1.) of section thirteen of the Principal Act, as amended by this Act, opposite to the salary-group within which his salary fell on that date.

(2.) Where a contributor who has elected to increase his contributions in accordance with the last preceding sub-section is retired before the first day of July, One thousand nine hundred and fifty-two, on the ground of invalidity or physical or mental incapacity to perform his duties, or dies before that date, the Commonwealth shall pay to the Superannuation Fund the amount by which that portion of the pension payable to him as the result of his election exceeds so much of that portion as is equivalent to the contributions made by him in respect of that portion and the Consolidated Revenue Fund is, to the necessary extent, hereby appropriated accordingly.

(3.) Any increased contribution payable in pursuance of sub-section (1.) of this section shall be payable as from the date of the election, but where the date from which that contribution is payable is not a pay-day the increased contribution shall be payable as from the next following pay-day.

Rate of existing pensions to be increased.

31.—(1.) Where, at the date of commencement of this Act, a person is in receipt of a pension under the Principal Act, not being a pension payable—

- (a) in respect of a child ;
 - (b) under section fifty-seven of the Principal Act, other than a pension for which that person made contributions to a State Fund as defined by section sixty AN of the Principal Act ; or
 - (c) under section fifty-eight of the Principal Act,
- the amount of the pension shall be increased by one-quarter.

(2.) The Commonwealth shall pay to the Superannuation Fund the amount of the increase and the Consolidated Revenue Fund is, to the necessary extent, hereby appropriated accordingly.

(3.) The provisions of this section shall apply in respect of the first fortnightly payment of pension made after the date of commencement of this Act and in respect of all subsequent payments.

32.—(1.) Where, prior to the commencement of this Act, a contributor to the Provident Account received a payment under section sixty y of the Principal Act, there shall, subject to the next succeeding sub-section, be paid to him, from the Provident Account, an additional amount equal to the difference between the amount paid to him under section sixty y of the Principal Act and the amount which would have been paid to him if that section of the Principal Act, as amended by this Act, had been in force at the time of his retirement.

Provisions with respect to contributors to the Provident Account who retired prior to commencement of this Act.

(2.) Where a contributor to whom the last preceding sub-section applies retired not less than twelve months prior to the date of commencement of this Act, the additional amount payable to him in pursuance of the last preceding sub-section shall be reduced, in respect of each complete year which has elapsed since the date of his retirement, by an amount equal to one per centum of the amount paid to him under section sixty y of the Principal Act.

(3.) Where a male contributor to the Provident Account in relation to whom sub-section (1.) of this section applies has died prior to the commencement of this Act, and is survived by a widow who was wholly or in part dependent upon him at the time of his death, payment of the amount which would have been paid to the contributor if he had died after the commencement of this Act may, in the discretion of the Board, be made, from the Provident Account, to that widow or to such other person as the Board determines.

(4.) Where any such contributor is not survived by a widow but is survived by children under the age of sixteen years, payment of the amount which would have been paid to the contributor if he had died after the commencement of this Act shall be divided equally amongst those children.

(5.) Where the widow of a contributor to the Provident Account received payment of an amount under section sixty z of the Principal Act, there shall, subject to sub-section (7.) of this section, be paid to her, from the Provident Account, an additional amount equal to the difference between the amount paid to her under section sixty z of the Principal Act and the amount which would have been paid to her if that section of the Principal Act, as amended by this Act, had been in force at the time of the death of the contributor.

(6.) Where the children of a contributor to the Provident Account received payment of an amount under section sixty z of the Principal Act, there shall, subject to the next succeeding sub-section, be paid to them, from the Provident Account, an additional amount equal

to the difference between the amount paid to them under section sixty z of the Principal Act and the amount which would have been paid to them if that section of the Principal Act, as amended by this Act, had been in force at the time of the death of the contributor.

(7.) Where a contributor to whose widow sub-section (5.) of this section applies, or a contributor to whose children the last preceding sub-section applies, has died not less than one year prior to the commencement of this Act, the additional amount payable to the widow in pursuance of sub-section (5.) of this section, or to the children in pursuance of the last preceding sub-section, shall be reduced, in respect of each complete year which has elapsed since the date of the death of the contributor, by an amount equal to one per centum of the amount paid to her or to them under section sixty z of the Principal Act.

(8.) Where a widow referred to in sub-section (5.) of this section has died prior to the commencement of this Act and is survived by children under the age of sixteen years, payment of the amount which would have been paid to her if she had died after the commencement of this Act shall be divided equally amongst those children.

(9.) The Commonwealth shall pay to the Provident Account the amount of any payments made from the Provident Account under this section and the Consolidated Revenue Fund is, to the necessary extent, hereby appropriated accordingly.

**Payments to
Commonwealth
by approved
authorities.**

33. Where any amount is payable by the Commonwealth under any of the last three preceding sections to the Superannuation Fund or to the Provident Account in respect of a person who was or is a person employed by an approved authority, the approved authority shall pay to the Commonwealth the amount so paid by the Commonwealth and may apply for that purpose any moneys under the control of the approved authority.
