



Military Superannuation and Benefits Amendment Trust Deed 2001 (No. 1)

I, DANNA SUE VALE, Minister for Veterans' Affairs, make this Trust Deed under subsection 5 (1) of the *Military Superannuation and Benefits Act 1991*.

Dated 18 December 2001

DANNA VALE
Minister for Veterans' Affairs

1 Name of Trust Deed

This Trust Deed is the *Military Superannuation and Benefits Amendment Trust Deed 2001 (No. 1)*.

2 Commencement

This Trust Deed commences on gazettal.

3 Amendment of Military Superannuation and Benefits Trust Deed

Schedule 1 amends the Military Superannuation and Benefits Trust Deed made under the *Military Superannuation and Benefits Act 1991*.

Schedule 1 Amendments

(section 3)

[1] Rules, Part 6, Division 2, heading

substitute

Division 2 Increases in Pensions

[2] Rules, Part 6, rule 56, heading

substitute

56 Increases in pensions

[3] Rules, subrule 56 (1)

after each mention of

March quarter

insert

and September quarter

[4] Rules, subrule 56 (1)

omit all words after

July 1989,

insert

then a person (in this section called the ‘pensioner’) who was in receipt of a pension immediately before the commencement of that prescribed year is entitled to an increase in the rate at which the pension was payable immediately before the commencement of that prescribed year.

[5] Rules, subrule 56 (2)

omit

, or in the amount of the unfunded preserved benefit in relation to a person,

-
- [6] **Rules, subrule 56 (2)**
after each mention of
March quarter
insert
and September quarter
- [7] **Rules, subrule 56 (3)**
after each mention of
30 June
insert
or 31 December
- [8] **Rules, subrule 58 (2)**
after
16 June
insert
or 16 December
- [9] **Rules, subrule 58 (3)**
after
16 June
insert
or 16 December
- [10] **Rules, subrule 58 (3), formula**
omit
12
insert
6
- [11] **Rules, subrule 58 (3)**
after
30 June
insert
or 31 December

[12] Rules, subrule 58 (6)

omit

[13] Rules, subrule 59 (4)

omit

[14] Rules, subrule 60 (1)

omit

(1) An increase by virtue

insert

An increase by virtue

[15] Rules, subrule 60 (1)

after

30 June

insert

or 31 December

[16] Rules, subrule 60 (2)

omit

[17] Rules, subrule 61 (1)

after

March quarter

insert

or September quarter

[18] Rules, Part 6, after Division 2

insert

**Division 3 Increases in Certain Unfunded
Preserved Benefits**

61A Increases in certain unfunded preserved benefits

(1) Subject to this Division, if the all groups consumer price index number for the weighted average of the 8 capital cities published by

the Statistician in respect of the March quarter of the year immediately preceding a prescribed year exceeds the highest all groups consumer price index number for the weighted average of the 8 capital cities published by the Statistician in respect of the March quarter of any earlier year, not being a year earlier than the year that commenced on 1 July 1989, then where, immediately before the commencement of that prescribed year, a preserved benefit is applicable to a person, or has become payable in respect of a deceased person but has not been paid, the amount of the unfunded employer benefit included in the preserved benefit in relation to that person immediately before the commencement of that year is increased.

- (2) The increase provided for by subrule (1) in the amount of the unfunded preserved benefit in relation to a person, immediately before the commencement of a prescribed year (in this rule called the *relevant prescribed year*), is the percentage of that rate or amount that represents $A - B$ expressed as a percentage of B , where:

A is the all groups consumer price index number for the weighted average of the 8 capital cities published by the Statistician in respect of the March quarter of the year immediately preceding the prescribed year; and

B is the highest all groups consumer price index number for the weighted average of the 8 capital cities published by the Statistician in respect of the March quarter of any year earlier than the year that commenced on 1 July 1990.

61B Proportionate increase for part of a year

Where a preserved benefit:

- (a) became applicable to a person; or
- (b) became payable or was converted into a pension;

during the most recent prescribed year, that part of the preserved benefit that is an unfunded employer benefit is increased to the extent determined by the Board, consistent with the principle of subrule 61A (2).

61C Adjustment in connection with invalidity reclassification

Upon a preserved benefit becoming applicable to a person under subrule 29 (1), the unfunded employer benefit included in that preserved benefit is increased as if:

- (a) that preserved benefit had become applicable to the person on the person's retirement; and
- (b) this Division had applied, since that retirement, to the unfunded employer benefit included in the preserved benefit.

61D Date of effect of increase

An increase by virtue of this Division in the amount of an unfunded preserved benefit applies with effect from:

- (a) in the case of an increase under rule 61B — the date on which the preserved benefit became payable; or
- (b) in any other case — 1 July of the prescribed year.

61E Interpretation

- (1) Subject to subrule (2), if at any time, whether before or after the commencement of these Rules, the Statistician has published or publishes in respect of a particular March quarter an all groups consumer price index number for the weighted average of the 8 capital cities in substitution for an index number previously published by him or her in respect of that quarter, the publication of the later index number is disregarded for the purposes of this Division.
- (2) If at any time, whether before or after the commencement of these Rules, the Statistician has changed or changes the reference base for the Consumer Price Index, then, for the purposes of the application of this Part after the change took place or takes place, regard is to be had only to index numbers published in terms of the new reference base.
- (3) If the percentage for the purposes of rule 61A is or includes a fraction of one tenth of 1 per centum:
 - (a) where that fraction is less than one half of one tenth — that fraction is disregarded; and
 - (b) where that fraction is not less than one half of one tenth — that fraction is treated as one tenth.

[19] Rules, Schedule 1, Part 1, after definition of *prescribed fee*

insert

prescribed half-year means the half-year commencing on 1 January 2002 or a subsequent half-year.

[20] Further amendments

<i>Provision</i>	<i>omit each mention of</i>	<i>insert</i>
Subrules 56 (1) and (2)	prescribed year	prescribed half-year
Subrules 56 (1) and (2)	year	half-year
Subrule 56 (3)	prescribed year	prescribed half-year
Rule 57	prescribed year	prescribed half-year

<i>Provision</i>	<i>omit each mention of</i>	<i>insert</i>
Paragraph 58 (1) (a)	prescribed year	prescribed half-year
Paragraph 58 (1) (b)	preceding year	preceding half-year
Subrules 58 (2), (3) and (7)	preceding year	preceding half-year
Subrule 58 (7)	the year	the half-year
Subrule 58 (7)	prescribed year	prescribed half-year
Paragraph 59 (1) (a)	prescribed year	prescribed half-year
Paragraph 59 (1) (b)	year	half-year
Subrule 59 (1)	year	half-year
Subrule 60 (1)	year	half-year
