

**PARLIAMENTARY CONTRIBUTORY SUPERANNUATION
(AMENDMENT) ACT 1989 No. 159**

NEW SOUTH WALES



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SCHEDULE 1 - AMENDMENTS

**PARLIAMENTARY CONTRIBUTORY SUPERANNUATION
(AMENDMENT) ACT 1989 No. 159**

NEW SOUTH WALES



Act No. 159, 1989

An Act to amend the Parliamentary Contributory Superannuation Act 1971 in relation to pensions payable under that Act. [Assented to 12 December 1989]

Parliamentary Contributory Superannuation (Amendment) 1989

The Legislature of New South Wales enacts:

Short title

1. This Act may be cited as the Parliamentary Contributory Superannuation (Amendment) Act 1989.

Commencement

2. This Act commences on a day to be appointed by proclamation.

Amendment of Parliamentary Contributory Superannuation Act 1971 No. 53

3. The Parliamentary Contributory Superannuation Act 1971 is amended as set out in Schedule 1.

SCHEDULE 1 - AMENDMENTS

(Sec. 3)

(1) Section 20 (**Right to convert part of entitlement to lump sum entitlement**):

Section 20 (4):

Omit "by the amount of annual pension in respect of which the election was made", insert instead "in accordance with section 21B".

(2) Section 21 (**Provisions applicable when the person becomes a member after receiving a pension as a former member**):

Omit "by the amount of annual pension entitlement in respect of which the conversion was made", insert instead "in accordance with section 21B".

(3) Section 21B:

After section 21A, insert:

Calculation of pensions following conversion to lump sum

21B. (1) This section applies where the amount of pension payable to a person is to be reduced, under section 20 (4) or 21, because of an election under section 20 to convert part of a pension entitlement to a lump sum.

Parliamentary Contributory Superannuation (Amendment) 1989

SCHEDULE 1 - AMENDMENTS - *continued*

- (2) The annual pension is to be reduced:
- (a) in the case of a person who, immediately before the commencement of the Parliamentary Contributory Superannuation (Amendment) Act 1989, was a member or in receipt of a pension under this Part - by the amount of annual pension in respect of which the election was made; or
 - (b) in any other case - by an amount calculated in accordance with the following formula:

$$R = \frac{C \times F}{E}$$

where:

R represents the amount of the reduction;

C represents the amount of annual pension in respect of which the election concerned was made;

E represents the annual pension entitlement immediately before the election concerned was made;

F represents the amount that would be the current annual pension entitlement of the former member if he or she had not made the election concerned.

- (3) In the event that any person:
- (a) by becoming a member on a second or subsequent occasion, has become for a second or subsequent time entitled to a pension under this Part; and
 - (b) has made an election or elections under section 20,
- the person's pension is to be reduced in accordance with subsection (2) in respect of the first and any subsequent election made.

SCHEDULE 1 - AMENDMENTS - *continued*

- (4) In the case of a person to whom subsection (3) applies who makes more than one election:
- (a) successive reductions of pension are to be calculated using the formula given in subsection (2); and
 - (b) for the purposes of any such calculation, the values to be assigned to the symbols E and F in that formula are to reflect any reduction of annual pension entitlement resulting from previous calculations.
- (4) **Section 23A (Right of certain widows or widowers to convert part of pension entitlement to lump sum entitlement):**
- Section 23A (2):
Omit "section 20", insert instead "this Part".

[*Minister's second reading speech made in -
Legislative Assembly on 22 November 1989
Legislative Council on 23 November 1989 a.m.*]