

**POLICE REGULATION (SUPERANNUATION)
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 Administration Bill 1987.

The object of this Bill is to amend the Police Regulation (Superannuation) Act 1906—

- (a) to close the Police Superannuation Fund to new contributors (future members of the police force may become contributors to the proposed State Authorities Superannuation Scheme);
- (b) to abolish the Police Superannuation Board and to transfer the administration of the Act to the State Authorities Superannuation Board (and to constitute a Police Superannuation Advisory Committee to advise that Board on the administration of the Act);
- (c) to improve the benefits payable to members of the police force who remain in the Police Superannuation Fund and, in particular—
 - (i) to increase the superannuation allowance payable on early retirement;
 - (ii) to allow a retired member to commute a superannuation allowance to a lump sum payment;
 - (iii) to allow a member who is only entitled to a refund of contributions to preserve a benefit in the Fund;
 - (iv) to provide a “disengagement” benefit for certain members of the police force approved by the Commissioner of Police who are over 50 years of age but less than 55 years of age; and
 - (v) to increase the lump sum benefit payable to a member of the police force who dies otherwise than after being hurt on duty; and
- (d) to make certain other miscellaneous amendments to the Act.

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

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Clause 3 is a formal provision that gives effect to the Schedules of amendments to the Principal Act.

Clause 4 enacts savings and transitional provisions and, in particular, provides that certain amendments to give effect to the improved benefits do not apply to persons who are already in receipt of benefits under the Principal Act.

Schedule 1 closes the Police Superannuation Fund to new contributors after 1 April 1988 (with some minor exceptions).

Schedule 2 (1) (a) transfers to the State Authorities Superannuation Board the functions of the Police Superannuation Board under the Principal Act.

Schedule 2 (1) (b) is a consequential amendment.

Schedule 2 (2) repeals the provisions of the Principal Act which constitute the Police Superannuation Board and which regulate its proceedings.

Schedule 2 (3) establishes the Police Superannuation Advisory Committee and defines its functions. The Committee is to consist of 4 Government nominees and 4 employee nominees (the employee nominees being 3 members nominated by the Police Association and 1 member nominated by the Commissioned Officers' Branch of the Public Service Association). The Committee is to advise the Board on the administration of the Principal Act (including the exercise of delegated functions) and to advise the Commissioner of Police on the administration of the proposed special risk benefit under the Police Regulation Act 1899.

Schedule 2 (4) makes provision with respect to the members and procedure of the Committee.

Schedule 3 (1) increases the superannuation allowance payable to members of the police force on early retirement after the age of 55 years and removes the requirement for a minimum of 30 years' service.

Schedule 3 (2) empowers the Commissioner of Police to offer a disengagement benefit to members of the police force who are over 50 years of age but less than 55 years of age and who have had at least 30 years' service. The amount of the benefit is similar to the amount of the preserved benefit (referred to in Schedule 3 (3)) which is the alternative benefit available where the member has not reached the early retirement age.

Schedule 3 (3) provides for a preserved benefit for members of the police force who resign etc. but do not take a refund of contributions. The preserved benefit is payable (after adjustment in line with the movement in the consumer price index) on the former member reaching 55 years of age, becoming incapacitated or dying.

Schedule 3 (4)–(9) preclude any allowance for a spouse or other reversionary benefits where a member of the police force commutes his or her superannuation allowance (as proposed under Schedule 3 (12)) or in certain cases receives a disengagement benefit.

Schedule 3 (10) increases the benefit payable if a member of the police force dies otherwise than as a result of being hurt on duty.

Schedule 3 (11) is a consequential amendment.

Schedule 3 (12) and (13) allow a member of the police force to commute to a lump sum a superannuation allowance payable on retirement or on discharge due to incapacity.

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Schedule 4 (1) and (3) change the provisions of the Principal Act relating to the discharge of members of the police force who are medically unfit. Under the new provisions the State Authorities Superannuation Board and not the Police Medical Board has the responsibility of making the final decision on whether a superannuation allowance should be paid. 2 members of the Medical Board or other nominated medical practitioners are to provide the necessary medical advice on the condition and fitness for employment of the member of the police force concerned. A superannuation allowance will not become payable unless the injured member of the police force is incapable of performing the duties not only of the member's current office but also of any other office in the police force which is available and in which it would be reasonable to expect the member to be employed.

Schedule 4 (2) allows the additional superannuation allowance payable to a discharged member of the police force who was hurt on duty to be determined at any time and to be varied from time to time.

Schedule 4 (4) clarifies the provisions of the Principal Act relating to the power to require a former member who is in receipt of a superannuation allowance for incapacity to serve again in the police force.

Schedule 4 (5) provides for payment, in the event of death, of a benefit without a grant of probate or letters of administration, or in anticipation of a claim under the Family Provision Act 1982.

Schedule 4 (6) entitles the Board to arrange with a beneficiary for the payment of a gratuity by instalments.

Schedule 4 (7) repeals the provisions in the Principal Act relating to appeals from the Board's decisions to the Industrial Commission (the proposed Superannuation Administration Act 1987 will deal with those rights of appeal).
