

## Second Reading Speech

# PUBLIC SECTOR SUPERANNUATION (MISCELLANEOUS AMENDMENTS) BILL 2013

Mr Speaker

The *Public Sector Superannuation (Miscellaneous Amendments) Bill 2013* contains a number of minor, but nonetheless important, amendments to the State's public sector superannuation and related legislation.

Members would agree that superannuation policy is one which has been subject to a number of reforms, particularly at the national level.

Consequently, there will be a need to make changes to our superannuation arrangements from time to time.

Mr Speaker, the amendments deal with two issues.

Firstly, it is necessary to make changes to a number of pieces of the State's public sector superannuation legislation so that employer superannuation guarantee contributions align with the increases prescribed under the *Superannuation Guarantee (Administration) Act 1992* of the Commonwealth.

Mr Speaker, as announced in the 2012-13 Commonwealth Government budget, employer superannuation guarantee contributions will rise incrementally from the current nine per cent to be ultimately twelve per cent of an employee's salary by 1 July 2019.

The first increase, from 9 per cent to 9.25 per cent, will take effect on 1 July 2013.

These amendments will remove the current reference to an employer superannuation contribution of 9 per cent of salary and replace it with a reference to the Commonwealth legislation that sets out the new superannuation guarantee rates. The amendments align the relevant public sector superannuation provisions with the Commonwealth legislation.

The Government welcomes the Commonwealth's initiative to increase employer superannuation contributions. By progressively increasing the superannuation guarantee rate from 9 per cent to 12 per cent of salary, employees will benefit from higher retirement incomes and decrease reliance on the age pension for Australia's aging population.

Mr Speaker, the second issue being addressed by the amendments deals with a minor operational matter that has come to light.

An amendment is required to the *Magistrates Court Act 1987* to remove any doubt that a Magistrate who was a member of the Contributory Scheme before it was closed is an employee for the purposes of the *Retirement Benefits Act 1993*.

Mr Speaker, under the *Superannuation (Miscellaneous and Consequential Amendments) Act 2000*, introduced as part of the legislative reforms closing the Contributory Scheme to new members, it appears that subsection 10(3) was inadvertently removed from the *Magistrates Court Act 1987*.

Subsection 10(3) deems a Magistrate to be an employee for the purposes of the *Retirement Benefits Act 1993* and therefore eligible to be a member of the Contributory Scheme.

The removal of subsection 10(3) may create doubt over the eligibility of Magistrates, who were members of the Contributory Scheme before it was closed, to remain in the Scheme whereas it was intended that they should retain their right to do so.

To remove any doubt over the eligibility of a Magistrate, who was a member of the Contributory Scheme to remain in the Scheme, subsection 10(3) will be reinstated with retrospective effect to the 13 December 2000, the date the *Superannuation (Miscellaneous and Consequential Amendments) Act 2000* received Royal Assent.

Mr Speaker, I commend this Bill to the House.