

PART 3 - SALARY FOR SUPERANNUATION PURPOSES

Division 1

Contribution Salary - Regular Members

Fortnightly contribution salary

3.1.1 The fortnightly contribution salary on a contribution due day of a regular member is calculated by the following formula:

$$\frac{\text{ACS} \times \text{Factor}}{26}$$

where ACS is annual contribution salary and ACS and Factor are defined:

- (a) in rule 3.1.2 if the **regular member**, on his/her **last birthday**, was:
 - (i) a **regular member**; and
 - (ii) not in receipt of **partial invalidity pension**; or
- (b) in rule 3.1.3 if the **regular member**, on his/her **last birthday**, was:
 - (i) a **regular member**; and
 - (ii) in receipt of **partial invalidity pension**; or
- (c) in rule 3.1.4 if the **regular member**, on his/her **last birthday**, was:
 - (i) a **casual member**; and
 - (ii) not in receipt of **partial invalidity pension**; or
- (d) in rule 3.1.5 if the **regular member**, on his/her **last birthday**, was:
 - (i) a **casual member**; and
 - (ii) in receipt of **partial invalidity pension**.

Definitions of ACS and Factor

3.1.2 If the **regular member**, on his/her **last birthday**, was a **regular member** and was not in receipt of **partial invalidity pension**:

- (a) ACS is the greatest of:

- (i) the sum of his/her annual **basic salary** and **recognised allowances**, if any, on his/her **last birthday**; and
 - (ii) the sum of the annual maintained basic salary and maintained recognised allowances, if any, applicable to him/her on his/her **last birthday** (*see Division 3 of this Part*); and
 - (iii) his/her annual CSS salary, if any, on his/her **last birthday** (*see Division 4 of this Part*); and
- (b) Factor is, if, on his/her **last birthday**, the **regular member** was:
- (i) a **permanent full-time employee** or a **temporary full-time employee** - 1; or
 - (ii) a **permanent part-time employee** or a **temporary part-time employee** - the ratio

$$\frac{\text{PTH}}{\text{FTH}}$$

where:

PTH is the number of hours being worked part-time (including any hours not being worked that attracted compensation payments) on that **last birthday**; and

FTH is the number of hours that would have been worked on that **last birthday** if he/she had been working full-time.

3.1.3 If the **regular member**, on his/her **last birthday**, was a **regular member** and was in receipt of **partial invalidity pension**:

- (a) ACS is:
 - (i) if the **partial invalidity pension** became applicable when maintained basic salary and maintained recognised allowances (*see Division 3 of this Part*) or CSS salary (*see Division 4 of this Part*) were not applicable, the sum of his/her annual **basic salary** and **recognised allowances**, if any, on his/her **last birthday**; or
 - (ii) if:
 - (A) maintained basic salary and/or maintained recognised allowances (*see Division 3 of this Part*) or CSS salary (*see Division 4 of this Part*) were applicable on that **last birthday**; and
 - (B) at the **last birthday** before the **partial invalidity pension** became applicable, maintained basic salary and/or maintained recognised allowances (*see Division 3 of this Part*) or CSS salary (*see Division 4 of this Part*) were applicable;

an amount determined by the **Board** having regard to the principles in this Division underlying the calculation of **fortnightly contribution salary** and the need for equity between members; and

- (b) Factor is, if, on his/her **last birthday**, the **regular member** was:
- (i) a **permanent full-time employee** or a **temporary full-time employee - 1**; or
 - (ii) a **permanent part-time employee** or a **temporary part-time employee - the ratio**

$$\frac{\text{PTH}}{\text{FTH}}$$

where:

PTH is the number of hours being worked part-time (including any hours not being worked that attracted compensation payments) on that **last birthday**; and

FTH is the number of hours that would have been worked on that **last birthday** if he/she had been working full-time.

3.1.4 If the **regular member**, on his/her **last birthday**, was a **casual member** and was not in receipt of **partial invalidity pension**:

- (a) ACS is the greater of:
- (i) the sum of his/her annual **basic salary** and **recognised allowances**, if any, on the day he/she last commenced as a **regular member**; or
 - (ii) his/her annual CSS salary, if any, on the day he/she last commenced as a **regular member** (*see Division 4 of this Part*);

and

- (b) Factor is, if, on the day he/she last commenced as a **regular member**, the **regular member** was:
- (i) a **permanent full-time employee** or a **temporary full-time employee - 1**; or
 - (ii) a **permanent part-time employee** or a **temporary part-time employee - the ratio**

$$\frac{\text{PTH}}{\text{FTH}}$$

where:

PTH is the number of hours being worked part-time (including any hours not being worked that attracted compensation payments) when he/she last commenced as a **regular member**; and

FTH is the number of hours that would have been worked when he/she last commenced as a **regular member** if he/she had been working full-time.

3.1.5 If the **regular member**, on his/her **last birthday**, was a **casual member** and was in receipt of **partial invalidity pension**:

- (a) ACS is the sum of his/her annual **basic salary** and **recognised allowances**, if any, on the day he/she last commenced as a **regular member**;
- (b) Factor is, if, on the day he/she last commenced as a **regular member**, the **regular member** was:
 - (i) a **permanent full-time employee** or a **temporary full-time employee** - 1; or
 - (ii) a **permanent part-time employee** or a **temporary part-time employee** - the ratio

$$\frac{\text{PTH}}{\text{FTH}}$$

where:

PTH is the number of hours being worked part-time (including any hours not being worked that attracted compensation payments) when he/she last commenced as a **regular member**; and

FTH is the number of hours that would have been worked when he/she last commenced as a **regular member** if he/she had been working full-time.

Division 2

Contribution Salary - Casual Members

Fortnightly contribution salary

3.2.1 The **fortnightly contribution salary** on a **contribution due day** of a **casual member** who is not paid fees on a per diem basis is:

- (a) the amount of **basic salary** and **recognised allowances**, if any, received by him/her in respect of the fortnight to which that **contribution due day** relates; or
- (b) if he/she is on **compensation leave** on the **contribution due day**, the amount of **basic salary** and **recognised allowances**, if any, that would have been received if he/she was working (and not receiving compensation payments in respect of hours not worked) the hours applicable in the last complete fortnight worked before going on **compensation leave**.

3.2.2 The **fortnightly contribution salary** on a **contribution due day** of a **casual member** who is paid fees on a per diem basis in respect of an office or position is:

- (a) the amount of the fees, if any, received by him/her in respect of the fortnight to which that **contribution due day** relates; or
- (b) if he/she is on **compensation leave** on the **contribution due day**, the amount of the fees that would have been received if he/she was working (and not receiving compensation payments in respect of days not worked) the days applicable in the last complete fortnight worked before going on **compensation leave**.

3.2.3 The **Board** will determine the fortnightly contribution salary of a person who becomes a **casual member** when he/she is in receipt of a **partial invalidity pension**.

Division 3

Maintained Salary - Regular Members

When applicable

3.3.1 If a **regular member** suffers a reduction in the sum of his/her hourly rate of **basic salary** and/or **recognised allowances** a maintained basic salary and, if any, maintained recognised allowances apply for the purposes of these Rules until such time as the sum of the annual rate of the regular member's **basic salary** and, if any, **recognised allowances** on the basis of full-time work, equals or exceeds the sum of the regular member's maintained basic salary and maintained recognised allowances.

Reduction not due to change in workplace bargaining supplement

3.3.2 On any day, if the reduction in the sum of a regular member's hourly rate of **basic salary** and any **recognised allowances** is not the result of the creation of, or a change in the amount of, a **workplace bargaining supplement** applicable to the regular member:

- (a) the amount of maintained basic salary is the annual rate on the basis of full-time work at which the **basic salary** applicable to the **regular member** in the position held immediately prior to the reduction in the hourly rate is payable on that day; and
- (b) the amount of maintained recognised allowances, if any, is:
 - (i) if a **partial invalidity pension** is not payable in respect of the reduction in the hourly rate - the annual amount of those allowances, if any, applicable to the **regular member** on the basis of full-time work in the position held immediately prior to the reduction in the hourly rate; or
 - (ii) if a **partial invalidity pension** is payable in respect of the whole or part of the reduction in the hourly rate - the annual rate on the basis of full-time work at which the **recognised allowances**, if any, applicable to the **regular member** in the position held immediately prior to the reduction in the hourly rate are payable on that day.

Change in workplace bargaining supplement causes reduction

3.3.3 On any day, if the reduction in the sum of a regular member's hourly rate of **basic salary** and any **recognised allowances** results from the creation of, or a change in the amount of, a **workplace bargaining supplement** applicable to the **regular member**, the sum of the maintained basic salary and/or maintained recognised allowances is the greater of:

- (a) the sum of the amounts of the annual rates on the basis of full-time work at which the **basic salary** and/or **recognised allowances** were applicable to the **regular member** immediately prior to the reduction in the hourly rate; or

- (b) if the reduction in the hourly rate occurred on a change of employer, or a change in location of employment from one part of a particular department, authority or agency of the Commonwealth covered by an agreement specific to that part to another part of that department, authority or agency, the sum of:
- (i) the annual rate on the basis of full-time work at which the **basic salary** applicable to the **regular member** in would be payable in the regular member's latest employment if he/she held a position equivalent to the position held immediately prior to the reduction in his/her hourly rate under equivalent conditions; and
 - (ii) if a **partial invalidity pension** is not payable in respect of the reduction in the hourly rate - so much of the annual amount on the basis of full-time work of the **recognised allowances**, if any applicable to the **regular member** in the position held immediately prior to the reduction in his/her hourly rate as has not been subsumed within any **workplace bargaining supplement** applicable in the regular member's latest employment; or
 - (iii) if a **partial invalidity pension** is payable in respect of the whole or part of reduction in the hourly rate - so much of the annual rate payable on that day on the basis of full-time work of the **recognised allowances**, if any, applicable to the **regular member** immediately prior to the reduction in the hourly rate as has not been subsumed within any **workplace bargaining supplement** applicable in the regular member's latest employment.

3.3.4 If :

- (a) the regular member's former position, office or classification has been abolished and an equivalent position, office or classification cannot be readily ascertained; or
- (b) the reduction in the hourly rate occurred on a change of employer but a position equivalent to the regular member's former position cannot be readily ascertained; or
- (c) the basic salary and recognised allowances, if any, attaching to the regular member's former position, office or classification are not publicly available;

the sum of the maintained basic salary and/or maintained recognised allowances on any day is the sum of the annual rates on the basis of full-time work at which the **basic salary** and/or **recognised allowances** were applicable to the **regular member** immediately prior to the reduction in the hourly rate increased by multiplying that sum by the factor calculated by the following formula:

$$1 + \left(\frac{\text{New AWOTE} - \text{Old AWOTE}}{\text{Old AWOTE}} \right)$$

where:

New AWOTE

is the index number of the full-time adult average weekly ordinary time earnings last published by the Australian Statistician before the day in respect of a period ending after the reduction in the member's

hourly rate of **basic salary** and/or **recognised allowances** occurred but before the day;

Old AWOTE

is the index number of the full-time adult average weekly ordinary time earnings last published by the Australian Statistician before, or at the same time as, the reduction in the member's hourly rate of **basic salary** and/or **recognised allowances** occurred.

provided:

- (A) the New AWOTE index number exceeds the Old AWOTE index number; and
- (B) the factor is to be rounded up or down to the nearest one thousandth; and
- (C) any index number that is published by the Australian Statistician in substitution for an earlier published Old AWOTE or New AWOTE index number is to be disregarded for the purposes of this Rule; and

if the Australian Statistician changes the reference base for the index of full-time adult average weekly ordinary time earnings, regard shall only be had to index numbers published in terms of the new reference base.

Example: On a birthday a regular member receives a salary of \$30,000 and First Aid Allowance of \$450. During the following year the member receives an increment in his/her salary, which increases to \$31,000. The member's First Aid Certificate also expires and the member ceases to receive the allowance, after the member has received the salary increment. The First Aid allowance that would have been payable to the member increases to \$500. The sum of the member's maintained basic salary and maintained recognised allowance at his/her next birthday is \$31,450, being the sum of the member's new basic salary and the dollar value of the allowance at the time of the reduction.

If, instead of no longer being eligible for the allowance, the member suffered a reduction in his/her salary due to physical or mental incapacity, and received a Partial Invalidity Pension, the sum of the member's maintained basic salary and maintained recognised allowance would be \$31,500. This is the sum of the member's basic salary plus the updated value of the First Aid Allowance.

In either instance, the member's maintained basic salary and maintained recognised allowance would cease to apply at that time when the sum of the basic salary and recognised allowances that the member earns exceeds it. This could occur if the member again received First Aid Allowance but at the \$500 rate rather than the \$450.

Division 4

CSS Salary

When applicable

3.4.1 Where a **regular member** elected to cease to be an eligible employee under section 244 of the *Superannuation Act 1976* a CSS salary applies if, on the anniversary of his/her birth on or after that election:

- (a) if he/she was not in receipt of partial invalidity pension under that Act, his/her annual rate of salary under that Act, or the salary that would have applied but for the election, was greater than the sum of his/her **basic salary** and **recognised allowances**, if any; or
- (b) if he/she was in receipt of partial invalidity pension under that Act at the time of making the election, or would have been in receipt of such partial invalidity pension under that Act but for the election, his/her annual rate of salary under that Act, calculated as though the anniversary of birth was the date of the election, was greater than the sum of his/her **basic salary** and **recognised allowances**, if any.

3.4.2 A CSS salary applies until such time as either:

- (a) the sum of the member's **basic salary** and **recognised allowances**, if any, on the basis of full-time work; or
- (b) the sum of the maintained basic salary and maintained recognised allowances, if any, applicable to the member;

equals or exceeds the CSS salary.

Rate of CSS Salary

3.4.3 On a particular day, the amount of a CSS salary is:

- (a) if the **regular member** was not in receipt of partial invalidity pension under that Act at the time of electing to cease to be an eligible employee under the *Superannuation Act 1976*, the amount of the annual rate of salary for basic contribution purposes that would have applied to the member if he/she had not ceased to be an eligible employee.

if the **regular member** was in receipt of partial invalidity pension under that Act at the time of electing to cease to be an eligible employee under the *Superannuation Act 1976*, or would have been in receipt of partial invalidity pension but for the election, his/her annual rate of salary under that Act.

Division 5

Average Salary - Regular Members

Average salary

3.5.1 The **average salary** on any day of a **regular member** is the average of the greater of:

- (a) the sum of his/her annual rate of **basic salary** and **recognised allowances**, if any; and
- (b) the sum of his/her annual maintained basic salary and maintained recognised allowances, if any (*see Division 3 of this Part*); and
- (c) his/her annual CSS salary, if any (*see Division 4 of this Part*) calculated as though the particular day was the day on which he/she elected under section 244 of the *Superannuation Act 1976* to cease to be an eligible employee; and
- (d) if he/she was a **casual member** paid fees on a per diem basis in respect of an office or position during his/her **period of membership**, the highest of the amounts in respect of any 12 months preceding an anniversary of birth while such a **casual member** calculated by multiplying the per diem fee applicable to him/her on that anniversary of birth by:
 - (i) the number of days in that 12 months on which he/she was paid for holding that office or position, including days not worked in the office or position that attracted compensation payments; or
 - (ii) if the office or position had been held for less than 12 months preceding that anniversary of birth:
 - (A) the number of days, if any, on which he/she was paid for holding that office or position, including days not worked in the office or position that attracted compensation payments; and
 - (B) the number of days in the remainder of a 12 month period on which either the per diem fee would have been paid if the pattern of expected fees applied in the remainder of a 12 month period, or that would attract compensation payments in respect of days not worked in the office or position;

applicable on:

- (i) if the regular member's **period of membership** encompasses three or more anniversaries of birth, each of the three anniversaries of his/her birth (*see Rules 3.5.2, 3.5.3 and 3.5.4*) that precede that particular day, or the anniversary of birth that occurs on that day and the two anniversaries of birth that precede it; or
- (ii) if the regular member's **period of membership** does not encompass three anniversaries of birth, each of the anniversaries of his/her birth (*see Rules 3.5.2,*

3.5.3 and 3.5.4), if any, in the period of his/her membership and his/her **first day of membership** (if not an anniversary of his/her birth);

unless the Board decides to use an alternative average salary in circumstances where it considers that the **average salary** calculated above is not in accordance with the spirit of the Rules and would lead to inequitable treatment between members.

When last day of membership counts as a birthday

3.5.2 A regular member's **last day of membership** which occurs immediately before the anniversary of his/her birth is counted as an anniversary of his/her birth.

Birthdays and salary when a member of the CSS scheme

3.5.3 If a **regular member** was an eligible employee for the purposes of the *Superannuation Act 1976* immediately before becoming a **member**, the anniversaries of birth last occurring before becoming a **member**, together with the annual rate of salary applicable under section 5 of that Act to the person on those days, or any higher salary in respect of which the person was contributing because of section 47 of that Act, will be taken into account, if required, to calculate **average salary**. The day of becoming an eligible employee counts as an anniversary of birth.

Leap year birthdays

3.5.4 If a **regular member** was born on 29 February his//her anniversary of birth in any year that is not a leap year is taken to occur on 1 March.

Division 6

Average Salary - Casual Members

Average salary - birthdays

3.6.1 The **average salary** on any day of a **casual member** is the average of his/her salary for average salary purposes (see Rules 3.6.2 and 3.6.3) payable or applicable on:

- (a) if the casual member's **period of membership** encompasses three or more anniversaries of his/her birth, each of the three anniversaries of his/her birth that precede that particular day, or the anniversary of birth that occurs on that day and the two anniversaries of birth that precede it (see Rules 3.6.5, 3.6.6 and 3.6.7); or
- (b) if the casual member's **period of membership** does not encompass three anniversaries of his/her birth, each of the anniversaries of his/her birth (see Rules 3.6.5, 3.6.6 and 3.6.7), if any, in the period of his/her membership and his/her **first day of membership** (if not an anniversary of his/her birth).

Casual members not paid on a per diem basis - salary for average salary purposes

3.6.2 On any anniversary of birth referred to in Rule 3.6.1 the salary for average salary purposes of a **casual member** not paid on a per diem basis is the greater of:

- (a) the amount of his/her annual **basic salary** and **recognised allowances**, if any, that would have been paid in the year ending immediately before that anniversary of birth on which he/she was a casual member if:
 - (i) he/she worked full/time for a year ending on that anniversary; and
 - (ii) he/she received throughout that year the hourly rate of **basic salary** and **recognised allowances**, if any, applicable to the duties he /she undertook (including in respect of any hours not being worked, hours that attracted compensation payments):
 - (A) on the anniversary of birth ; or
 - (B) when next in employment after the anniversary of birth, if he/she had no duties on the anniversary of birth; or
 - (C) when last in employment, if he/she had no duties on, and did not undertake duties after, the anniversary of birth;

or

- (b) the amount of his/her annual **basic salary** and **recognised allowances**, if any, that would have been paid in any preceding year ending immediately before an anniversary of birth on which he/she was a casual member if:
 - (i) he/she worked full/time for a year ending on that anniversary; and

- (ii) he/she received throughout that year the hourly rate of **basic salary and recognised allowances**, if any, applicable to the duties he /she undertook (including in respect of any hours not being worked, hours that attracted compensation payments):
 - (A) on the anniversary of birth ; or
 - (B) when next in employment after the anniversary of birth, if he/she had no duties on the anniversary of birth;

or

- (c) the higher of the salaries for average salary purposes calculated under paragraphs (a) or (b) of Rule 3.6.3 on any previous anniversary of birth on which he/she was a **casual member** paid on a per diem basis; and
- (d) if, during his/her period of membership, he/she has been a **regular member** on an anniversary of his/her birth occurring immediately before becoming a **casual member**, the greater on that anniversary of:
 - (i) the sum of his/her annual **basic salary and recognised allowances**, if any, and
 - (ii) the sum of his/her annual maintained basic salary and maintained recognised allowances, if any (*see Division 3 of this Part*); and
 - (iii) his/her annual CSS salary, if any (*see Division 4 of this Part*).

Casual members paid on a per diem basis - salary for average salary purposes

3.6.3 On any anniversary of birth referred to in Rule 3.6.1 the salary for average salary purposes of a **casual member** who is paid on a per diem basis in respect of an office or position, is the greater of:

- (a) the amount calculated in respect of the 12 months preceding that anniversary of birth during his/her **period of membership** by multiplying the per diem fee applicable to him/her on that anniversary of birth by:
 - (i) the number of days in that 12 months on which he/she was paid for holding that office or position, including days not worked in the office or position that attracted compensation payments; or
 - (ii) if the office or position had been held for less than 12 months preceding that anniversary of birth:
 - (A) the number of days, if any, on which he/she was paid for holding that office or position, including days not worked in the office or position that attracted compensation payments; and
 - (B) the number of days in the remainder of a 12 month period on which either the per diem fee would have been paid if the pattern of expected fees applied in the remainder of a 12 month period, or that would attract compensation payments in respect of days not worked in the office or position;

or

- (b) the amount calculated in respect of any 12 months ending on any anniversary of birth during his/her **period of membership** on which he/she was a **casual member** paid on a per diem basis by multiplying the per diem fee applicable to him/her on that anniversary of birth by:
- (i) the number of days in that 12 months on which he/she was paid for holding that office or position, including days not worked in the office or position that attracted compensation payments; or
 - (ii) if the office or position had been held for less than 12 months preceding that anniversary of birth:
 - (A) the number of days, if any, on which he/she was paid for holding that office or position, including days not worked in the office or position that attracted compensation payments; and
 - (B) the number of days on which the per diem fee would have been paid, or which would have attracted compensation payments in respect of any days not worked in the office or position, if the pattern of expected payments applied in the remainder of a 12 month period ;

or

- (c) the higher of the salaries for average salary purposes calculated under paragraphs (a) or (b) of Rule 3.6.2 on any previous anniversary of birth on which he/she was a **casual member** not paid on a per diem basis; or
- (d) if, during his/her period of membership, he/she has been a **regular member** on an anniversary of his/her birth occurring immediately before becoming a **casual member**, the greater of:
- (i) the sum of his/her annual **basic salary** and **recognised allowances**, if any, and
 - (ii) the sum of his/her annual maintained basic salary and maintained recognised allowances, if any (*see Division 3 of this Part*); and
 - (iii) his/her annual CSS salary, if any (*see Division 4 of this Part*);
- applicable on that anniversary of birth.

Board may use alternative salary for average salary purposes

3.6.4 The Board may decide to use an alternative average salary in circumstances in which it considers that the **average salary** calculated above is not in accordance with the spirit of the Rules and would lead to inequitable treatment between members.

When last day of membership counts as a birthday

3.6.5 A casual member's **last day of membership** which occurs immediately before the anniversary of his/her birth is counted as an anniversary of his/her birth.

Birthdays and salary when a member of the CSS scheme

3.6.6 If a **casual member** was an eligible employee for the purposes of the *Superannuation Act 1976* immediately before becoming a **member**, the anniversaries of birth last occurring before becoming a **member**, together with the annual rate of salary applicable under section 5 of that Act to the person on those days, or any higher salary in respect of which the person was contributing because of section 47 of that Act, will be taken into account, if required, to calculate **average salary**. The day of becoming an eligible employee counts as an anniversary of birth.

Leap year birthdays

3.6.7 If a **casual member** was born on 29 February his/her anniversary of birth in any year that is not a leap year is taken to occur on 1 March.

PART 4 - CONTRIBUTIONS

Division 1

Contributions by Members

When contributions must be paid

4.1.1 A member must pay contributions on each **contribution day** occurring during his/her **period of membership**, except contribution days occurring:

- (a) on or after becoming a **maximum benefits member** (see Rule 4.1.5); or
- (b) during a continuous period of leave of absence without pay exceeding 12 weeks that is not an **excluded period of leave of absence** (see Rule 4.2.1); or
- (c) during a period of maternity or parental leave of absence without pay, unless the **member** has chosen to pay contributions (see Rule 4.2.6); or
- (d) when the **PSS Fund** is prohibited by the **SIS Act** from receiving those contributions (see Rule 4.1.5).

What rate of contributions can be paid

4.1.2 A member may choose to pay contributions at any whole percentage rate that is not less than 2% or more than 10% of his/her **fortnightly contribution salary**, unless he/she is on **compensation leave** (see Rule 4.1.4). If a member who is not a member entitled to a CSS Transfer Multiple does not choose a contribution rate, he/she will be deemed to have chosen the rate of 5% (see Rule 14.4.4 for a member with a CSS Transfer Multiple who does not choose a rate.).

4.1.3 A member may change his/her future rate of contributions at any time to another whole percentage rate that is not less than 2% or more than 10% of his/her **fortnightly contribution salary**. Changes take effect on the **contribution day** occurring immediately after the date of the member's request to change his/her rate of contributions.

4.1.4 A member on **compensation leave** may choose to pay contributions at any whole percentage rate that is not less than 5% or more than 10% of his/her **fortnightly contribution salary**, unless he/she had contributed below 5% on each of the four **contribution due days** immediately before the period of **compensation leave** commenced. Where this exception applies, the minimum rate payable is the highest rate at which contributions were paid on any of those four **contribution due days**.

EXAMPLES - Contributions % Range Allowed on Compensation Leave					
	Contribution Due Days Before Leave				% Range Allowed
	1st	2nd	3rd	4th	
% Paid	7%	7%	8%	9%	5% to 10%
% Paid	3%	6%	2%	3%	5% to 10%
% Paid	2%	4%	3%	2%	4% to 10%

Contributions not allowed to be paid

4.1.5 A **member** is not permitted to pay contributions in respect of any **contribution day** occurring:

- (a) after he/she becomes a **maximum benefits member**; or
- (b) when the **PSS Fund** is prohibited by the **SIS Act** from receiving those contributions.

Contributions to be paid to the Board

4.1.6 Contributions payable by **members** under these Rules are to be paid to the **Board** by or on behalf of the **member** liable to pay the contributions. The **Board** must pay into the **PSS Fund** all contributions it receives from, or on behalf of, members.

Substitution of contribution days

4.1.7 The **Board** and a **designated employer** may agree to substitute other days in lieu of contribution days for payments of contributions if the **designated employer** does not pay members in respect of each fortnight ending on the day before a **contribution day**. The **Board** will adjust the calculation and payment of contributions as necessary.

Division 2

Contributions on Leave Without Pay

When contributions are payable on leave without pay

4.2.1 A member on leave of absence without pay for a continuous period exceeding 12 weeks that is an **excluded period of leave of absence** as set out in the following sub-paragraphs is required to pay contributions on each **contribution day** occurring during the period of leave on which the **SIS Act** does not prohibit the **PSS Fund** from receiving those contributions:

- (a) a period referred to in Rule 4.2.8;
- (b) a period of sick leave without pay;
- (c) a period of **compensation leave** granted under the *Safety, Rehabilitation and Compensation Act 1988* or similar arrangements;
- (d) a period of leave of absence granted for the purpose of undertaking a course of studies approved by the person's usual employer, or the **Secretary** if the person is employed in a **Department**, if the person, before commencing the period, chooses to contribute, but not that part of a continuous period of leave of absence that begins on the last day of a 2 year period;
- (e) a period of leave of absence for the purpose of engaging in other employment (other than employment by an organisation specified in paragraph 4.2.1(f)) if the temporary employer complies with the requirements of Rule 4.2.2 and:
 - (i) if the person is employed in a **Department** - the **Secretary** is satisfied that the engagement of the person in the other employment is in the interest of the Australian Public Service; or
 - (ii) in respect of any other person - the person's usual employer is satisfied that the engagement of the person in the other employment is in the usual employer's interest;
- (f) a period of leave of absence for the purpose of engaging in employment with:
 - (i) an organisation registered under the *Industrial Relations Act 1988* the membership of which includes people who are members of the **CSS scheme** or of the **PSS scheme**; or
 - (ii) a body consisting of such organisations;

if the member is not required to contribute under a superannuation arrangement maintained by the temporary employer and the temporary employer complies with the requirements of Rule 4.2.2;

- (g) a period of leave of absence that is covered by an agreement made (whether before or after the end of the period) between the Minister and the **Board** declaring the period to be an excluded period of leave of absence. An agreement made under this

provision may be subject to any conditions that are set out in the agreement and if the conditions are not met the period, or part of the period, to which they apply is not to be taken to be an excluded period of leave of absence. Any agreement made may be varied or terminated by the Minister and the **Board** together at any time.

Rates of contributions payable on leave without pay

4.2.2 A person on leave without pay may not pay contributions under paragraph (e) or (f) of Rule 4.2.1 unless the temporary employer makes payments:

- (a) of productivity contributions under Rule 4.3.1; and
- (b) where applicable, contributions for death and invalidity cover; and
- (c) of such amounts, or at such rates, and at such times as are determined by:
 - (i) the Government of the Australian Capital Territory in respect of persons usually employed by that Government or an authority or body established by or under a law of the Australian Capital Territory; or
 - (ii) the usual employer in respect of persons employed by:
 - (A) an approved authority; or
 - (B) another authority or body referred to in subsection 19(1) of the *Superannuation Act 1990*; or
 - (C) an authority or body not included in (A) or (B) declared by the Minister to be an authority or body for this purpose; or
 - (iii) the Minister in respect of persons ordinarily employed by a **Department** or any other organisation not included in (A), (B) or (C) above;

The Minister and the **Board** may agree to modifications in respect of the period, or a part of the period, of leave of absence granted to a person.

4.2.3 Productivity contributions under Rule 4.3.1, contributions for death and invalidity cover, where applicable, and other payments under Rule 4.2.2 must be paid to the employer that determines the amounts or rates of payment, or the Commonwealth in respect of persons ordinarily employed by a **Department**.

Maternity and parental leave without pay - contributions are optional

4.2.4 A **member** on maternity or parental leave of absence without pay taken in relation to:

- (a) the birth of a child of the **member**; or
- (b) because a member's pregnancy ended for other reasons; or

- (c) the adoption of a child by the **member**;

may, unless a special arrangement is in force under rule 4.2.7, choose to pay contributions on any **contribution day** occurring during the period of leave provided he/she exercises the choice on or before the particular **contribution day**.

Special arrangements for contributions on leave without pay or less than full pay

4.2.5 The **Board** may approve special arrangements relating to:

- (a) the timing of payments; or
- (b) payment by instalments;

of any contributions payable by a **member** on leave of absence, either without pay or with less than full pay.

Re-instatement of certain members

4.2.6 If a **member** has been deemed under Rule 2.2.4 not to have ceased membership during a period when sections 63F, 63G, 66B, 87K, 87M, 87P or 87Q of the *Public Service Act 1922* applied, or when similar provisions applied if the *Public Service Act 1922* is not applicable to the **member**, that period is regarded as a period of leave without pay exceeding 12 weeks.

Leave without pay savings provisions

4.2.7 Any period of leave of absence without pay that commenced before 1 July 1994 is subject to the conditions and directions by the **Board** that applied until 30 June 1994. This provision does not apply to an extension of that period of leave without pay where the extension is granted on or after 1 July 1994.

4.2.8 Any period that commenced before 1 July 1995 that was an excluded period of leave of absence under the then Rules because the member's liability to contribute was deferred while he/she was liable to make contributions under:

- (a) the *Defence Force Retirement and Death Benefits Act 1973*; or
- (b) the superannuation scheme established by the Trust Deed under the *Military Superannuation and Benefits Act 1991*;

continues to be an **excluded period of leave of absence** and:

- (i) the member's liability to contribute as deferred under the then Rules continues to be deferred until such time as that deferral would have ceased under those Rules; and

- (ii) the deferred contributions become payable by the member in the circumstances under which they would have been payable under those Rules.

Need more help with contributions ?

Contributions *have to be paid*

- while the member is working with his/her normal employer
- for sick leave, whether on full pay, half pay or without pay
- for compensation leave
- for leave without pay of less than 12 weeks, other than maternity or parental leave

Contributions *usually have to be paid*

- for leave granted specifically to work with another employer when granted in the interests of the permanent employer and the

temporary employer meets the employer liability

Contributions *usually cannot be paid*

- for leave without pay for personal or recreational reasons exceeding 12 weeks

Contributions *can be paid*

- for maternity or parental leave
- for study leave

Premiums for any additional death and invalidity cover arranged under Part 10 do not affect the maximum % rate payable, ie, the member can still pay 10% as well as contributing for an additional cover premium.

Division 3

Productivity Contributions by Employers

When are productivity contributions payable

4.3.1 A designated employer is required to pay to the **Board** a fortnightly productivity contribution in relation to a **member** on each **contribution due day** the **member** is employed by that **designated employer**.

Note: A **contribution due day** is a day on which a member is required to pay contributions. Accordingly, a **designated employer** is not required to pay a fortnightly productivity contribution when a member is not permitted to contribute (see Rules 4.1.1 and 4.1.5).

Amount of productivity contributions

4.3.2 The amount of the fortnightly productivity contribution payable in relation to a **member** is to be determined in accordance with Rules 4.3.5 to 4.3.10, having regard to the fortnightly amounts shown opposite the relevant rates of salary in the following Table (as amended by determination of the **Board** under Rule 4.3.3 from time to time).

Relevant Fortnightly Rates of Salary	Fortnightly Amounts
Less than \$985.33	\$29.56
\$985.33 or more but less than \$1,587.33	The amount that is 3% of the member's salary per fortnight
\$1587.33 or more but less than \$2,381.00	\$47.62
\$2,381.00 or more	The amount that is 2% of the member's salary per fortnight

4.3.3 The **Board** will, by determination, amend the amounts shown in the Table *Productivity Contribution Rates* in Rule 4.3.2 with effect from 1 July each year to reflect changes, if any, in the general salary levels of members.

4.3.4 If the **Board** and a **designated employer** have agreed under Rule 4.1.7 to substitute other days in lieu of **contribution days** for payments of contributions by or on behalf of members, the **Board** will assess the productivity contribution payable each substituted day in accordance with the formula:

Productivity Contribution x Pay Period
14

where:

- Productivity Contribution** is the fortnightly productivity contribution in accordance with the Table *Productivity Contribution Rates* in Rule 4.3.2 in respect of the **member**; and
- Pay Period** is the number of days between substituted payment days plus one day.

Regular member now - regular member last birthday

4.3.5 If the **member**:

- (a) is a **regular member** on the **contribution due day**; and
- (b) was a **regular member** on his/her **last birthday**;

the amount of the fortnightly productivity contribution is the fortnightly amount that would be applicable if the relevant fortnightly rate of salary under the Table *Productivity Contribution Rates* in Rule 4.3.2 was:

- (i) if the **regular member** was a **permanent full-time employee, a temporary full-time employee, a permanent part-time employee or a temporary part-time employee** not in receipt of a **partial invalidity pension** on his/her **last birthday**, his/her **fortnightly contribution salary** on his/her **last birthday**; or
- (ii) if the **regular member** was a **permanent full-time employee or a temporary full-time employee** in receipt of a **partial invalidity pension** on his/her **last birthday**, one 26th of his/her maintained basic salary and maintained allowances on his/her **last birthday**; or
- (iii) if the **regular member** was a **permanent part-time employee or a temporary part-time employee** in receipt of a **partial invalidity pension** on his/her **last birthday**, one 26th of his/her maintained basic salary and recognised allowances on his/her **last birthday** multiplied by the Factor in paragraph (b) of rule 3.1.2 calculated as though the number of hours being worked part-time included hours not being worked but in respect of which a **partial invalidity pension** was applicable.

Casual member now

4.3.6 If the **member** is a **casual member** on the **contribution due day**, the amount of the fortnightly productivity contribution is the fortnightly amount that would be applicable if the relevant fortnightly rate of salary under the Table *Productivity Contribution Rates* in Rule 4.3.2 was that calculated under Rule 4.3.7 or Rule 4.3.8 on the later of his/her **last birthday** and:

- (a) if the **member** has not ceased employment with that **designated employer** - the date he/she became a **member**; or
- (b) if the **member** had previously been employed by that **designated employer** and had a break in employment of 27 or more fortnights before last becoming a **member** - the date he/she last became a **member**; or
- (c) if the **member** had previously been employed by that **designated employer** and had a break in employment of less than 27 fortnights before last becoming a **member** - the date he/she last became a **member** in a recurring pattern of employment that does not include any breaks in employment of 27 or more fortnights;

multiplied by:

- (i) if **casual member** is not paid on a per diem basis in respect of an office or position, the ratio that his/her **fortnightly contribution salary** on that **contribution due day** bears to his/her salary per fortnight determined under (a) or (b) of Rule 4.3.7 on the applicable date; or
- (ii) if **casual member** is paid on a per diem basis in respect of an office or position, the ratio that his/her **fortnightly contribution salary** on last becoming a **regular member** bears to one 26th of his/her annual rate of salary determined under (a) or (b) of Rule 4.3.8.

4.3.7 The relevant fortnightly rate of salary for the purposes of Rule 4.3.6 of a **casual member** who is not paid on a per diem basis is the greatest of:

- (a) the **fortnightly contribution salary** payable on any previous anniversary of his/her birth since commencing employment with the **designated employer**; or
- (b) if he /she had no duties on an anniversary of birth, the **fortnightly contribution salary** that would have been payable on that anniversary of birth if he/she had received the same rate of **basic salary** and **recognised allowances**, if any, as:
 - (i) when next working for that **designated employer**; or
 - (ii) when last working, if he/she did not undertake duties for that **designated employer** as a casual employee after that anniversary of birth;

4.3.8 The relevant fortnightly rate of salary for the purposes of Rule 4.3.6 of a **casual member** who is paid on a per diem basis is one 26th of the greatest amount in respect of any 12 months preceding an anniversary of birth during his/her **period of membership** calculated by multiplying the per diem fee applicable to him/her on that anniversary of birth by:

- (a) the number of days in that 12 months on which he/she was paid for holding that office or position, including days not worked in the office or position that attracted compensation payments; or
- (b) if the office or position **casual member** had held for less than 12 months preceding the anniversary of birth:

- (i) the number of days, if any, including days not worked in the office or position that attracted compensation payments, on which the per diem fee was paid; and
- (ii) the number of days on which the per diem fee was expected to be paid, including in respect of any days not worked in the office or position that would attract compensation payments, in the remaining period to complete 12 months.

Regular member now - casual employee last birthday not paid on a per diem basis

4.3.9 If the member is a **regular member** on the **contribution due day** and was a **casual member** not paid on a per diem basis on his/her **last birthday**, the amount of the fortnightly productivity contribution is the fortnightly amount that would be applicable if the relevant fortnightly rate of salary under the Table *Productivity Contribution Rates* in Rule 4.3.2 was that calculated under paragraphs (a) or (b) of Rule 4.3.7, multiplied by the ratio that his/her **fortnightly contribution salary** on last becoming a **regular member** bears to that relevant fortnightly rate of salary.

Regular member now - casual employee last birthday paid on a per diem basis

4.3.10 If the member is a **regular member** on the **contribution due day** and was a **casual member** paid on a per diem basis on his/her **last birthday**, the amount of the fortnightly productivity contribution is the fortnightly amount that would be applicable if the relevant fortnightly rate of salary under the Table *Productivity Contribution Rates* in Rule 4.3.2 was one 26th of the amount calculated under paragraphs (a) or (b) of Rule 4.3.8, multiplied by the ratio that his/her **fortnightly contribution salary** on last becoming a **regular member** bears to that relevant fortnightly rate of salary.

Contributions to be paid to the Board

4.3.11 All productivity contributions payable by **designated employers** under the Rules are to be paid to the **Board** which must pay them into the **PSS Fund**.

More About Productivity Contributions

Leave Without Pay

Where a member has approval to pay contributions on leave without pay to work for another employer, it is the new employer who is required to pay productivity contributions. See section 15 of the *Superannuation Act 1990* for more information about how to determine a member's employer.

Salary for Productivity Purposes

This is one of the most difficult areas in any superannuation scheme. Please make sure of the meanings of the various salary terms used in the salary determination issued by the Minister.

Generally salary for productivity contributions is the same salary used for member contribution purposes. However, it will usually be different where the member is receiving a partial invalidity pension.

Calculating Productivity Contributions

The first step in calculating a productivity contribution is to work out the salary applicable on the member's last birthday, or for casuals with broken periods of employment the date determined under Rule 4.3.7, and using or calculating the amount opposite that salary in the Productivity Contribution Rates table in Rule 4.3.2. Note that, 'last birthday' could also mean the date a person became a member or the date he/she changed from a casual member to a regular member.

For full-time employees, the amount determined will be the amount payable for the 12 months following the member's birthday, unless he/she becomes a casual member.

For part-time employees, the amount determined will need to be adjusted to take account of how many hours the member worked *on his/her last birthday* compared to full-time hours and that reduced rate will remain payable for 12 months, unless he/she becomes a casual member.

For casual members or those who become casuals during a birthday year, the amount determined will need to be adjusted every contribution due day to take account of the superannuation salary received on that due day compared to the fortnightly rate of salary received on his/her last birthday, either as a casual or a regular member.

For example, assume a full-time regular member had a fortnightly rate of salary of \$1,495.21, ie, an annual rate of \$39,000, on his/her last birthday. Provided he/she does not become a casual member, his/her employer would be required to pay fortnightly productivity contributions of \$44.86, ie, at a rate of 3%, on each contribution due day until his/her next birthday, or until the rates in the Productivity Contribution Rates table in Rule 4.3.2 changed.

If that member was a part-time employee on his/her last birthday working say three-quarters of full-time hours, then, provided he/she does not become a casual member, the fortnightly productivity contribution required until his/her next birthday would be \$33.65, ie, three quarters of \$44.86, regardless of any subsequent salary movements or whether he/she becomes a full-time employee.

For a casual member who had a fortnightly rate of salary of \$1,495.21 on his/her last birthday and received superannuation salary of \$1,000 on a contribution due day, the fortnightly productivity contribution required for that due day would be \$30.00, ie, the contribution payable on his/her last birthday of \$44.86 multiplied by \$1,000.00 and divided by \$1,495.21.