



## **Superannuation Amendment (PSS Trust Deed) Instrument 2021 (No. 2)**

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I, Simon Birmingham, Minister for Finance, make the following instrument.

Dated 5 December 2021

Simon Birmingham  
Minister for Finance

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## 1 Name

This instrument is the *Superannuation Amendment (PSS Trust Deed) Instrument 2021 (No. 2)*.

## 2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

<b>Commencement information</b>		
<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provisions</b>	<b>Commencement</b>	<b>Date/Details</b>
1. Sections 1 to 4 and anything in this instrument not elsewhere covered by this table	The day after this instrument is registered on the Federal Register of Legislation.	
2. Schedule 1	The day after this instrument is registered on the Federal Register of Legislation.	

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

## 3 Authority

This instrument is made under section 5 of the *Superannuation Act 1990*.

## 4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

# Schedule 1—Amendment of the PSS Trust Deed

## 1 Rule 3.5.1

Repeal the table, substitute:

Average Salary Factors	
Cessation otherwise than on <b>involuntary retirement</b>	Cessation on <b>involuntary retirement</b>
NOTE: The factors defined for the case of not ceasing on <b>involuntary retirement</b> are used to calculate <b>average salary</b> on cessation on <b>involuntary retirement</b> , if the date of cessation is an anniversary of the regular member’s birth, or is treated as such under Rule 3.5.4.	
<u>Three or more</u> anniversaries of birth in <b>period of membership</b> (see also Rule 3.5.5)	
X is 0.	X is the amount calculated by the following formula: $\left( \frac{\mathbf{D}}{\mathbf{365}} \right) \times \mathbf{O} + \left( \frac{\mathbf{365} - \mathbf{D}}{\mathbf{365}} \right) \times \mathbf{P}$ where: D is 1 plus the number of days between the date of the regular member’s cessation on <b>involuntary retirement</b> and the date of the anniversary of his/her birth immediately preceding the date of cessation; and O is the regular member’s salary for <b>average salary</b> purposes (see Rule 3.5.2) on the date of his/her cessation on <b>involuntary retirement</b> ; and P is the regular member’s salary for <b>average salary</b> purposes (see Rule 3.5.2) on the anniversary of his/her birth immediately preceding the anniversary in B2 below.
B1 is the regular member’s salary for <b>average salary</b> purposes (see Rule 3.5.2) on the anniversary of his/her birth immediately preceding the day at which the calculation is made, or on that day if it is an anniversary of his/her birth.	B1 is the regular member’s salary for <b>average salary</b> purposes (see Rule 3.5.2) on the anniversary of his/her birth immediately preceding the date of cessation on <b>involuntary retirement</b> .
B2 is the regular member’s salary for <b>average salary</b> purposes (see Rule 3.5.2) on the anniversary of his/her birth immediately preceding the anniversary in the definition of B1.	
B3 is the regular member’s salary for <b>average salary</b> purposes (see Rule 3.5.2) on the anniversary of his/her birth immediately preceding the anniversary	B3 is 0.

Average Salary Factors	
Cessation otherwise than on <b>involuntary retirement</b>	Cessation on <b>involuntary retirement</b>
in the definition of B2.	
E is 0.	
n is 3.	
<u>Two</u> anniversaries of birth in <b>period of membership</b> (see also Rule 3.5.5)	
X is 0.	<p>X is the amount calculated by the following formula:</p> $\left( \frac{\mathbf{D}}{\mathbf{365}} \right) \times \mathbf{O} + \left( \frac{\mathbf{365} - \mathbf{D}}{\mathbf{365}} \right) \times \mathbf{P}$ <p>where:</p> <p>D is 1 plus the number of days between the date of the regular member's cessation on <b>involuntary retirement</b> and the date of the anniversary of his/her birth immediately preceding the date of cessation; and</p> <p>O is the regular member's salary for <b>average salary</b> purposes (see Rule 3.5.2) on the date of his/her cessation on <b>involuntary retirement</b>; and</p> <p>P is the regular member's salary for <b>average salary</b> purposes (see Rule 3.5.2) on his/her <b>first day of membership</b>.</p>
B1 is the regular member's salary for <b>average salary</b> purposes (see Rule 3.5.2) on the anniversary of his/her birth immediately preceding the day at which the calculation is made, or on that day if it is an anniversary of his/her birth.	B1 is the regular member's salary for <b>average salary</b> purposes (see Rule 3.5.2) on the anniversary of his/her birth immediately preceding the date of cessation on <b>involuntary retirement</b> .
B2 is the regular member's salary for <b>average salary</b> purposes (see Rule 3.5.2) on the anniversary of his/her birth immediately preceding the anniversary in the definition of B1.	
B3 is 0.	
E is the regular member's salary for <b>average salary</b> purposes (see Rule 3.5.2) on his/her <b>first day of membership</b> .	E is 0.
n is 3.	

Average Salary Factors	
Cessation otherwise than on <b>involuntary retirement</b>	Cessation on <b>involuntary retirement</b>
<u>One</u> anniversary of birth in <b>period of membership</b> (see also Rule 3.5.5)	
X is 0.	X is the amount calculated by the following formula: $\left(\frac{D}{365}\right) \times O + \left(\frac{365 - D}{365}\right) \times P$ where: D is 1 plus the number of days between the date of the regular member's cessation on <b>involuntary retirement</b> and the date of the anniversary of his/her birth immediately preceding the date of cessation; and O is the regular member's salary for <b>average salary</b> purposes (see Rule 3.5.2) on the date of his/her cessation on <b>involuntary retirement</b> ; and P is the regular member's salary for <b>average salary</b> purposes (see Rule 3.5.2) on his/her <b>first day of membership</b> .
B1 is the regular member's salary for <b>average salary</b> purposes (see Rule 3.5.2) on the anniversary of his/her birth immediately preceding the day at which the calculation is made, or on that day if it is an anniversary of his/her birth.	B1 is the regular member's salary for <b>average salary</b> purposes (see Rule 3.5.2) on the anniversary of his/her birth immediately preceding the date of cessation on <b>involuntary retirement</b> .
B2 is 0.	
B3 is 0.	
E is the regular member's salary for <b>average salary</b> purposes (see Rule 3.5.2) on his/her <b>first day of membership</b> .	E is 0.
n is 2.	
<u>No</u> anniversaries of birth in <b>period of membership</b> (see also Rule 3.5.5)	
X is 0.	X is the amount calculated by the following formula: $\left(\frac{D}{365}\right) \times O + \left(\frac{365 - D}{365}\right) \times P$



Average Salary Factors	
Cessation otherwise than on <b>involuntary retirement</b>	Cessation on <b>involuntary retirement</b>
	where: D is 1 plus the number of days between the date of the regular member's cessation on <b>involuntary retirement</b> and the date of his/her <b>first day of membership</b> ; and O is the regular member's salary for <b>average salary</b> purposes ( <i>see Rule 3.5.2</i> ) on the date of his/her cessation on <b>involuntary retirement</b> ; and P is the regular member's salary for <b>average salary</b> purposes ( <i>see Rule 3.5.2</i> ) on his/her <b>first day of membership</b> .
	B1 is 0.
	B2 is 0.
	B3 is 0.
E is the regular member's salary for <b>average salary</b> purposes ( <i>see Rule 3.5.2</i> ) on his/her <b>first day of membership</b> .	E is 0.
	n is 1.

## 2 Rule 5.2.1

Omit "under this Division".

## 3 Rule 5.2.1

Repeal the table, substitute:

Quick Guide to the Components of a Benefit Accrual Multiple		
Possible Components	Results from	See
On-going Multiple	Paying fortnightly contributions	Rule 5.2.2
Additional Cover Multiple	An amount received from a life office in respect of a policy for extra death and invalidity cover	Rule 5.2.10
Preserved Multiple	A <b>preserved benefit</b> from a previous period of PSS membership	Rule 5.2.12
Restoration Multiple	A former <b>invalidity pensioner</b> again becoming a <b>member</b>	Rule 5.2.14

Excess Contribution Multiple	Paying fortnightly contributions above the maximum average rate that attract employer benefits	Rule 5.2.16
Unfunded Transfer Multiple	An amount transferred on entry to the <b>PSS scheme</b> that is exclusively productivity benefit	Rule 5.2.18
Membership Transfer Multiple	Combining benefits from previously concurrent periods of membership	Rule 5.2.20
CSS Transfer Multiple	Transferring entitlements from the <b>CSS scheme</b>	Division 2 of Part 14
Non-Cash Transfer Multiple	An amount that would otherwise have been payable to an <b>approved superannuation scheme</b> in respect of a person who had transferred to that scheme from the <b>PSS scheme</b> or the <b>CSS scheme</b>	Rule 5.2.23
Reduction Multiple	The application of a <b>splitting agreement</b> or <b>splitting order</b> under Part 16.	Rule 16.4.3
Former MBL Multiple	A <b>member</b> who was a <b>maximum benefits member</b> immediately before 1 January 2008	Rule 5.6.8

#### 4 Rule 5.2.22

Repeal the rule, including the heading “CSS Transfer Multiple”.

#### 5 After Rule 5.2.25

Insert:

##### **Additional Multiples may be Applicable to a Regular Member**

**Note 1:** The applicability of, and method for calculating, a CSS Transfer Multiple is set out in Division 2 of Part 14.

**Note 2:** A Reduction Multiple applies to a **member** to whom Part 16 applies and is calculated under Rule 16.4.3. The multiple is to be used to reduce the Benefit Accrual Multiple.

**Note 3:** A Former MBL Multiple applies to a **member** who, immediately before 1 January 2008, was a **maximum benefits member** and is calculated under Rule 5.6.8.

#### 6 Rule 5.2.26

Repeal the rule, including the heading “Reduction Multiple”.

#### 7 Rule 5.2.27

Repeal the rule, including the heading “Former MBL Multiple”.

#### 8 Rule 5.3.1

Omit “under this Division”.

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## 9 Rule 5.3.1

Repeal the table, substitute:

<b>Quick Guide to the Components of a Benefit Accrual Multiple</b>		
Possible Components	Results from	See
On-going Multiple	Paying fortnightly contributions	Rule 5.3.2
Additional Cover Multiple	An amount received from a life office in respect of a policy for extra death and invalidity cover	Rule 5.3.10
Preserved Multiple	A <b>preserved benefit</b> from a previous period of PSS membership	Rule 5.3.12
Restoration Multiple	A former <b>invalidity pensioner</b> again becoming a <b>member</b>	Rule 5.3.14
Excess Contribution Multiple	Paying fortnightly contributions above the maximum average rate that attract employer benefits	Rule 5.3.16
Unfunded Transfer Multiple	An amount transferred on entry to the <b>PSS scheme</b> that is exclusively productivity benefit	Rule 5.3.18
Membership Transfer Multiple	Combining benefits from previously concurrent periods of membership	Rule 5.3.20
CSS Transfer Multiple	Transferring entitlements from the <b>CSS scheme</b>	Division 2 of Part 14
Non-Cash Transfer Multiple	An amount that would otherwise have been payable to an <b>approved superannuation scheme</b> in respect of a person who had transferred to that scheme from the <b>PSS scheme</b> or the <b>CSS scheme</b> .	Rule 5.3.23
Reduction Multiple	The application of a <b>splitting agreement</b> or <b>splitting order</b> under Part 16	Rule 16.4.3
Former MBL Multiple	A <b>member</b> who was a <b>maximum benefits member</b> immediately before 1 January 2008	Rule 5.6.8

## 10 Rule 5.3.22

Repeal the rule, including the heading “CSS Transfer Multiple”.

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## 11 After Rule 5.3.25

Insert:

### **Additional Multiples may be Applicable to a Casual Member**

**Note 1:** The applicability of, and method for calculating, a CSS Transfer Multiple is set out in Division 2 of Part 14.

**Note 2:** A Reduction Multiple applies to a **member** to whom Part 16 applies and is calculated under Rule 16.4.3. The multiple is to be used to reduce the Benefit Accrual Multiple.

**Note 3:** A Former MBL Multiple applies to a **member** who, immediately before 1 January 2008, was a **maximum benefits member** and is calculated under Rule 5.6.8.

## 12 Rule 5.3.26

Repeal the rule, including the heading “Reduction Multiple”.

## 13 Rule 5.3.27

Repeal the rule, including the heading “Former MBL Multiple”.

## 14 Rule 6.2.3

Repeal the rule, including the heading “Benefit options – certain other cases”.

## 15 Rule 6.2.4

Repeal the rule.

## 16 Rule 6.8.3

Repeal the rule, substitute:

**6.8.3** The Minister and **CSC** may at any time terminate an agreement related to the declaration of an **eligible superannuation scheme** made by the Minister and the **Board**.

## 17 Rule 6.8.4

Repeal the rule, substitute:

**6.8.4** The variation or termination of an agreement in relation to an **eligible superannuation scheme** must be notified in the annual report of **CSC** under section 30 of the *Governance of Australian Government Superannuation Schemes Act 2011*.

## 18 Paragraph 8.1.1(f)

Omit “; or”, substitute “.”

## 19 Rule 8.1.1

Repeal paragraph (g) and the note.

## 20 Rule 8.2.5

Repeal the rule, including the heading “Transitional benefit options for certain pre-1 July 1996 preserved benefits members”.

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## 21 Rule 9.2.2

Omit “This rule also applies to the calculation of an annual **pension** payable under Rule 6.2.4 to a **member** who, on retirement before 1 July 1996, was suffering from a **terminal medical condition**.”

## 22 Rule 12.2.3

Repeal the rule, including the heading “Payment of benefits to eligible roll-over fund where no instructions”.

## 23 After Part 17

Insert:

<b>PART 17A – AMOUNTS PAYABLE TO THE COMMONWEALTH</b>
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### Division 1

<b>Arrangements where amounts payable to the Commonwealth are not yet due</b>
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#### 17A.1.1

Where the Minister, following consultation with CSC:

- (a) agrees, on behalf of the Commonwealth, that amounts which become payable to the Commonwealth under paragraph 16(1)(a), paragraph 16(4)(a) and/or subsection 16A(2) of the *Superannuation Act 1990* are not due until a later time, and
- (b) gives **CSC** written notice of this agreement, specifying a time at which amounts become due, or a mechanism for giving reasonable notice of that time,

then:

- (c) those amounts accumulate with interest in the **PSS Fund** in accordance with a determination or determinations made by **CSC** as to the rate and method of allocation of interest, taking into account the after tax-earnings and/or losses from investment of the amounts, and
- (d) **CSC** must pay the accumulated interest in relation to those amounts to the Commonwealth from the **PSS Fund** when those amounts become due.