



NORTHERN TERRITORY OF AUSTRALIA

NORTHERN TERRITORY SUPPLEMENTARY SUPERANNUATION SCHEME

- INSTRUMENT IN WRITING
- ADMINISTRATIVE INSTRUCTIONS UNDER
SUPERANNUATION GUARANTEE (SAFETY NET) ACT

WHEREAS the Northern Territory of Australia desires to establish a scheme to provide superannuation benefits supplemental to the benefits provided by certain other superannuation schemes.

NOW WHEREFOR

The NORTHERN TERRITORY OF AUSTRALIA hereby establishes the scheme set out in the Schedule hereto.

SCHEDULE

1. NAME

The scheme shall be known as the Northern Territory Supplementary Superannuation Scheme.

2. DATE OF COMMENCEMENT

The date of commencement of the scheme shall be 1 January 1989.

3. DEFINITIONS

Benefit

The benefit that shall be paid to eligible employees ceasing employment after the date of commencement shall be calculated in accordance with the following formula :

$$\frac{3}{1200} \times \text{Supplementary Salary} \times \begin{matrix} \text{Period of} \\ \text{full-time} \\ \text{equivalent} \\ \text{service since} \\ \text{01.10.88 in} \\ \text{completed months} \end{matrix}$$

Provided that there shall be a minimum benefit of \$50 per completed month of full-time equivalent service.

Commissioner

The Commissioner of Superannuation for the time being appointed pursuant to Section 4 of the Superannuation Act.

Dependant

In relation to an eligible employee or former eligible employee, means a spouse, widow, widower, child, adopted child or ex-nuptial child of an eligible employee or former eligible employee or a person who, in the opinion of the Commissioner, is at the relevant date (or in the case of a deceased person was at his death) wholly or partially dependant on the eligible employee or former eligible employee or who has or had at the relevant date a legal right to look to the eligible employee or former eligible employee for support.

Eligible
Employees

All employees of the Territory, employees or officers of the Northern Territory Public Service, the Northern Territory Teaching Service, the Northern Territory Police Force or Territory Public Authorities whether employed on a full-time, part-time, limited tenure, contract or casual basis who have completed the Qualifying Period of Service other than :

- (a) an employee entitled to receive a benefit under the Tertiary Education Superannuation Scheme (TESS); or
- (b) an employee entitled to receive a benefit from another superannuation arrangement which, in the opinion of the Commissioner, is of a comparable nature to this scheme and declared in writing by the Commissioner; or
- (c) an employee or an employee belonging to a class of employees declared in writing by the Commissioner not to be an eligible employee or eligible employees for the purposes of the scheme; or
- (d) a person employed in or appointed to, a statutory office (unless the office is declared in writing by the Commissioner not to be an office for the purposes of this paragraph), who is not -
 - (i) an employee in the Public Service;
 - (ii) an officer or employee of the Northern Territory Teaching Service; or
 - (iii) a member of the Police Force.

Gainful
Employment

Engagement in any employment, occupation, vocation, profession, trade or business full-time or part-time for remuneration or other reward in money or money's worth.

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| <u>Invalidity</u> | Shall be an assessment by the Commissioner, after considering medical and other relevant evidence, that the eligible employee is unlikely ever to be able to work again in a job for which the eligible employee is reasonably qualified by education, training or experience. |
| <u>Period of Full-time Equivalent Service</u> | Means the period of continuous employment (after converting any periods of part-time employment to a full-time basis) of an eligible employee but does not include any periods of leave without pay which are not recognised for long service leave entitlements. Employment shall be taken to be continuous notwithstanding that there may be an interval when an eligible employee transfers from one employer covered by the scheme to another covered by the scheme. The length of the interval shall be such period deemed reasonable in all the circumstances by the Commissioner. |
| <u>Preservation Limit</u> | Means \$500 or such other amount as is declared in writing from time to time by the Commissioner. |
| <u>Qualifying Service Period</u> | 3 months continuous employment notwithstanding that this may be undertaken otherwise than on a full-time basis. Continuous employment prior to the commencement date of the scheme shall be taken into account in the calculation of the qualifying period. |
| <u>Special Benefit</u> | A benefit payable to an eligible employee who ceased employment between 1 July 1988 and 31 December 1988 and, on his last day of duty, had completed 3 months continuous employment and was employed in a classification or designation which made him eligible to join one of the following unions or industrial organisations : <ul style="list-style-type: none"> • the Association of Drafting, Supervisory and Technical Employees (ADSTE); • the Association of Professional Engineers, Australia (APEA); |

- the Electrical Trades Union of Australia (ETU);
- the Federated Miscellaneous Workers Union of Australia (FMWU);
- the NT Police Commissioned Officers' Association.

The Special Benefit shall be calculated in accordance with the following formula :

$$\frac{3}{2400} \times \text{Supplementary Superannuation Salary} \times \text{Period of full-time equivalent service in the period between 1 July 1988 and 31 December 1988 in completed months}$$

Provided that there shall be a minimum special benefit of \$35 per completed month of full-time equivalent service.

Spouse

In relation to an eligible employee or former eligible employee, includes -

- a person who is accepted by the Commissioner as having, immediately before the relevant date (or, in the case of a deceased employee, immediately before the employee's death) ordinarily lived with the employee as husband or wife on a permanent and bona fide domestic basis; and
- where the employee is an aboriginal native of Australia, a person referred to in paragraph (a) or a person who is, according to the customs of the group or tribe of aboriginal natives of Australia to which either belongs, married to the employee, and widow and widower shall be construed accordingly.

Supplementary
Superannuation
Salary

Is equivalent to the contribution salary which would be calculated under the Superannuation Act if the eligible employee's last day of duty were his entry date under the Superannuation Act. Provided that

- (i) where an eligible employee is employed on a part-time or casual basis on his last day of duty, his Supplementary Superannuation Salary shall be expressed on a full-time equivalent basis; and
- (ii) where an eligible employee has suffered a reduction in salary due to redeployment, the salary will be based on the salary and approved allowances payable immediately before such reduction.

Superannuation
Act

Means the Northern Territory Superannuation Act.

Territory Public
Authorities

The public authorities listed in regulations made under the Superannuation Act.

4. MANAGEMENT AND ADMINISTRATION

- (1) The Commissioner shall be responsible for the management and administration of the scheme and shall make all payments on behalf of the Territory under the scheme.
- (2) Subject to guidelines as determined by the Treasurer from time to time, the scheme shall be administered and managed using the personnel and facilities of the Northern Territory Treasury and the cost of administering the scheme shall be borne by the Territory.
- (3) The Commissioner shall have the power to retain on behalf of the Territory the services of professional advisers and managers, whether persons, firms or companies, in any matter relating to the management or administration of the scheme.

5. PAYMENTS

Payments made from time by the Territory under this scheme shall be from monies made available from the Territory Consolidated Fund by way of appropriation or from a Territory Trust Account or Accounts.

6. BENEFITS

- (1) The Territory shall pay to an eligible employee a benefit in the following circumstances :
 - (a) On an eligible employee attaining the age of 55 years or more and in the opinion of the Commissioner retiring from Gainful Employment.
 - (b) On an eligible employee ceasing to be employed by reason of invalidity.
 - (c) On an eligible employee ceasing to be employed and the benefit being less than the Preservation Limit.
 - (d) On an eligible employee ceasing to be employed and where the Commissioner is satisfied that the eligible employee is departing Australia permanently or in such other special or exceptional circumstances as the Commissioner may, in his absolute discretion, determine.
- (2)
 - (a) On the death of an eligible employee the Territory shall, at the discretion of the Commissioner, pay the benefit either to the personal representatives of the eligible employee on production to the Commissioner of probate of the will or letters of the administration of the estate or to a dependant or dependants of the deceased eligible employee.
 - (b) Where
 - (i) the production to the Commissioner of probate of the will, or letters of administration of the estate, has not been arranged;
 - (ii) the Commissioner has not, within 3 months after the death of the eligible employee, received notice of intention to apply for a grant of probate of the will, or the letters of administration of the estate, of the deceased; and
 - (iii) at the time of the death of the eligible employee, there was no person dependent on him

the Commissioner may, after paying the funeral expenses of the deceased or reimbursing a person who has paid those expenses, pay the balance to some other person.

- (3) (a) Where an eligible employee ceases to be employed in circumstances not specified in (1) or (2) above, the Territory shall, with the consent in writing of the eligible employee, pay the benefit to
- (i) another superannuation scheme or fund for the benefit of the eligible employee;
 - (ii) an Approved Deposit Fund for the benefit of the eligible employee; or
 - (iii) a recognised organisation for the purpose of the provision of a deferred annuity for an eligible employee and/or his or her dependants.
- (b) If no such consent, in writing, is received by the Commissioner within two (2) months of the eligible employee ceasing to be employed, the Commissioner may at his discretion pay the benefit to an Approved Deposit Fund selected by the Commissioner on behalf of the eligible employee.
- (c) The Commissioner shall, when paying any benefits as aforesaid, require that the Trustee or other administrator of the said superannuation scheme or fund, Approved Deposit Fund or recognised organisations undertake that the said benefit shall not be paid to or in respect of the eligible employee prior to the date on which it would be paid to or in respect of the eligible employee under the provisions of this scheme.

7. PAYMENT WHERE ELIGIBLE EMPLOYEE INCAPABLE

- (1) Where an eligible employee or former eligible employee to whom a benefit under this scheme is payable is, in the opinion of the Commissioner, incapable of administering his own affairs by reason of illness, imprisonment or any other cause, the Commissioner may pay the benefit to the Public Trustee for which benefit the receipt of the Public Trustee is a good discharge of the obligation under the scheme of the Commissioner.
- (2) A payment made under Sub-clause (1) shall be deemed to have been made to the person entitled to the benefit.

8. UNPAID BENEFITS

Benefits unpaid six months after an eligible employee has ceased employment shall attract interest at rate of 6% p.a. from the date of the cessation of employment.

9. INFORMATION

- (1) An eligible employee or former eligible employee may, at any time, request the Commissioner to provide him with information about his entitlements under the scheme, and the Commissioner shall, as soon as practicable, supply the information requested.
- (2) The Commissioner may, at any time, require an eligible employee or the employer of an eligible employee to provide to the Commissioner such information relating to the remuneration of the employee, or such other information relevant to the administration of the scheme, as the Commissioner requires, and the member or the employer, as the case may be, shall provide the information accordingly.

10. ACCOUNTS

The Commissioner shall cause to be kept proper accounts and records of the transactions and affairs of the scheme and shall do all things necessary to ensure that all payments of benefits are correctly made and properly authorised.

11. AUDIT

The accounts and records of the scheme shall be audited by the Auditor-General pursuant to Division 2 of Part III of the Financial Administration and Audit Act.

12. REPORT ON OPERATIONS

The Commissioner shall provide the Treasurer with a report on the operations of the scheme during each financial year as soon as practicable after the end of the financial year.

13. CLAIM FOR BENEFIT UNDER SCHEME

- (1) An eligible employee or other person entitled or claiming to be entitled to a benefit under the scheme may apply to the Commissioner, in the approved form and manner, for the payment of that benefit to him.
- (2) The Commissioner shall, as soon as practicable after receiving an application under Sub-clause (1), make a decision on the application.
- (3) An applicant may, in writing, require the Commissioner to give his reasons in writing for his decision on the application and the Commissioner shall give his reasons accordingly.

14. REVIEW OF DECISIONS

A person who is aggrieved by a decision of the Commissioner under this scheme may by notice in writing given to the Commissioner within 30 days after the day on which the decision first comes to the notice of the person, or within such further period as the Commissioner allows, request the Commissioner to reconsider the decision. The notice to the Commissioner shall set out the reasons for making the request.

Upon the receipt of the request the Commissioner shall as soon as possible reconsider the decision and may confirm revoke or vary the decision as he thinks fit.

Where the Commissioner has reconsidered a decision he shall by notice in writing inform the person of his reconsideration of the decision and his reasons for confirming revoking or varying the decision.

15. AMENDMENTS TO THE SCHEME

The Territory may at any time by Instrument in writing signed by the Treasurer amend the provisions of this Instrument.

This Instrument is made 4th day of January 1989.

Signed by Treasurer of the Northern Territory

**ADMINISTRATIVE INSTRUCTIONS
UNDER
SUPERANNUATION GUARANTEE (SAFETY NET) ACT**

1. General provisions applying to all additional benefits authorised under these Administrative Instructions

- (a) Payment of an additional benefit to the following classes of employees on the conditions set out for each class of employees is hereby authorized under the provisions of Sections 5 and 6 of the Superannuation Guarantee (Safety Net) Act.
- (b) These Administrative Instructions take effect on and from 10 August 1999.
- (c) All additional benefits shall be paid through the NTSSS, shall be subject to the terms and conditions of the NTSSS and shall be added to the NTSSS benefit, if any, otherwise payable.
- (d) An additional benefit is not payable in respect of any period of Territory employment occurring after an employee attains the age of 70 years.
- (e) An additional benefit is payable only in respect of salary or wages as defined in the Commonwealth Act.
- (f) Where any formula used in these Administrative Instructions produces a negative amount, no additional benefit is payable.

2. Definitions

- (a) In these Administrative Instructions -

"accrued employer component" has the same meaning as in the Superannuation Act;

"additional benefit" means the lump sum superannuation benefit payable in accordance with these Administrative Instructions;

"average weekly earnings" means the Average Weekly Earnings for Full Time Adult Persons, Weekly Ordinary Time Earnings for the Northern Territory last published by the Australian Statistician before the date in respect of which they are required under these Administrative Instructions to be assessed;

"Commonwealth Act" means the Superannuation Guarantee (Administration) Act 1992 of the Commonwealth;

"CSS" means the Commonwealth Superannuation Scheme established by the Superannuation Act 1976 of the Commonwealth;

"Default Superannuation Fund" means the Australian Government Employees Superannuation Trust (AGEST);

"employee" means an employee as defined in the Superannuation Guarantee (Safety Net) Act;

"employer component of NTGPASS benefit" means the sum of the accrued employer component and the prospective employer component;

"final salary" means the salary applicable in the NTSSS for the purpose of paying benefits from that scheme at the time an employee ceases Territory employment;

"NTGPASS" means the Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS) established by the Superannuation Act;

"NTSSS" means the Northern Territory Supplementary Superannuation Scheme established by instrument in writing signed by the Treasurer and dated 4 January 1989;

"ordinary time earnings" means ordinary time earnings as defined in the Commonwealth Act;

"post June 92 days" means the number of days between 1 July 1992 and the date a person ceases to be an employee of the Territory, after excluding any periods of leave without pay not counting as service for the purpose of determining long service leave entitlements and after reducing any periods of part-time employment to their full-time equivalence;

"post June 95 days" means the number of days between 1 July 1995 and the date a person ceases to be an employee of the Territory, after excluding any periods of leave without pay not counting as service for the purpose of determining long service leave entitlements and after reducing any periods of part-time employment to their full-time equivalence;

"post June 98 days" means the number of days between 1 July 1998 and the date a person ceases to be an employee of the Territory, after excluding any periods of leave without pay not counting as service for the purpose of determining long service leave entitlements and after reducing any periods of part-time employment to their full-time equivalence;

"post June 2000 days" means the number of days between 1 July 2000 and the date a person ceases to be an employee of the Territory, after excluding any periods of leave without pay not counting as service for the purpose of determining long service leave entitlements and after reducing any periods of part-time employment to their full-time equivalence;

"post June 2002 days" means the number of days between 1 July 2002 and the date a person ceases to be an employee of the Territory, after excluding any periods of leave without pay not counting as service for the purpose of determining long service leave entitlements and after reducing any periods of part-time employment to their full-time equivalence;

"prospective employer component" has the same meaning as in the Superannuation Act;

"Updated Pre July 92 Ordinary Time Earnings" means the total ordinary time earnings of the employee from Territory employment between the period from 1 October 1988 to 30 June 1992 after the employee's earnings in each financial year (other than the financial year in which employment ceases) have been indexed by the percentage movement in Average Weekly Earnings from 1 January in the relevant financial year to the date of ceasing Territory employment;

"Updated Post June 92 Ordinary Time Earnings" means the total ordinary time earnings of the employee from Territory employment between the period from 1 July 1992 to the date of ceasing Territory employment after the employee's earnings in each financial year (other than the financial year in which employment ceases) have been indexed by the percentage movement in Average Weekly Earnings from 1 January in the relevant financial year to the date of ceasing Territory employment;

"Updated Post June 95 Ordinary Time Earnings" means the total ordinary time earnings of the employee from Territory employment between the period from 1 July 1995 to the date of ceasing Territory employment after the employee's earnings in each financial year (other than the financial year in which employment ceases) have been indexed by the percentage movement in Average Weekly Earnings from 1 January in the relevant financial year to the date of ceasing Territory employment; and

"Updated Post June 98 Ordinary Time Earnings" means the total ordinary time earnings of the employee from Territory employment between the period from 1 July 1998 to the date of ceasing Territory employment after the employee's earnings in each financial year (other than the financial year in which employment ceases) have been indexed by the percentage movement in Average Weekly Earnings from 1 January in the relevant financial year to the date of ceasing Territory employment.

"Updated Post June 2000 Ordinary Time Earnings" means the total ordinary time earnings of the employee from Territory employment between the period from 1 July 2000 to the date of ceasing Territory employment after the employee's earnings in each financial year (other than the financial year in which employment ceases) have been indexed by the percentage movement in Average Weekly Earnings from 1 January in the relevant financial year to the date of ceasing Territory employment.

For employees aged less than 55 years : A = 2
 B = 1
 C = 1
 D = 1
 E = 1

For employees aged 55 years or older : A = 3
 B = 0
 C = 1
 D = 1
 E = 1

- (b) Where an employee continues to be an eligible contributor to the CSS after ceasing Territory employment and subsequently becomes entitled to a CSS benefit comprising only the employee's CSS contributions accumulated with interest, the additional benefit payable (at the time when the CSS benefit becomes payable) is the amount determined through paragraph (a), indexed by the percentage movement in Average Weekly Earnings from the date of ceasing Territory employment to the date of payment.
- (c) Where the employee is entitled to a CSS benefit other than a benefit comprising only the employee's CSS contributions accumulated with interest, no additional benefit is payable.

6. Employees (other than casual or irregular employees) entitled to a NTSSS benefit only

- (a) Subject to clause 7, where, on the cessation of Territory employment, an employee is entitled to a NTSSS benefit only, the additional benefit payable is the amount obtained by the formula :

$$\left(\begin{array}{l} A\% \times \frac{\text{Post June 92 days}}{365} + \\ B\% \times \frac{\text{Post June 95 days}}{365} + \\ C\% \times \frac{\text{Post June 98 days}}{365} + \\ D\% \times \frac{\text{Post June 2000 days}}{365} + \\ E\% \times \frac{\text{Post June 2002 days}}{365} \end{array} \right) \times \text{Final Salary}$$

For employees aged less than 55 years : A = 2
 B = 1
 C = 1
 D = 1
 E = 1

For employees aged 55 years or older : A = 3
 B = 0
 C = 1
 D = 1
 E = 1

7. Employees (casual or irregular employees) entitled to a NTSSS benefit only

(a) Where, on the cessation of Territory employment, an employee who has worked on a casual or irregular basis is entitled to a NTSSS benefit only, the combined NTSSS and additional benefit payable is the amount calculated by the formula :

$$\begin{aligned}
 & 3\% \times \text{Updated Pre July 92 Ordinary Time Earnings} + \\
 & A\% \times \text{Updated Post July 92 Ordinary Time Earnings} + \\
 & B\% \times \text{Updated Post July 95 Ordinary Time Earnings} + \\
 & C\% \times \text{Updated Post July 98 Ordinary Time Earnings} + \\
 & D\% \times \text{Updated Post July 2000 Ordinary Time Earnings} + \\
 & E\% \times \text{Updated Post July 2002 Ordinary Time Earnings} +
 \end{aligned}$$

For employees aged less than 55 years : A = 5
 B = 1
 C = 1
 D = 1
 E = 1

For employees aged 55 years or older : A = 6
 B = 0
 C = 1
 D = 1
 E = 1

8. Supreme Court Judges

(a) Where a person ceases to be a judge of the Supreme Court the additional benefit payable is the amount obtained by the formula :

$$\left(\begin{aligned}
 & A\% \times \frac{\text{Post June 92 days}}{365} + \\
 & B\% \times \frac{\text{Post June 95 days}}{365} + \\
 & C\% \times \frac{\text{Post June 98 days}}{365} + \\
 & D\% \times \frac{\text{Post June 2000 days}}{365} + \\
 & E\% \times \frac{\text{Post June 2002 days}}{365}
 \end{aligned} \right) \times \text{Judges Superannuation Salary} - \text{actuarial value of the scheme benefit}$$

For a person aged less than 55 years : A = 5
 B = 1
 C = 1
 D = 1
 E = 1

10. Employees who commence service on or after 10 August 1999

Where an employee commences service on or after 10 August 1999 and is not entitled to a benefit under the Legislative Assembly Members' Superannuation Act, the Supreme Court (Judges Pensions) Act or the Administrators Pensions Act, they are not entitled to a benefit under NTGPASS (in accordance with Section 3 "Eligible Employee" (b) of the Superannuation Act) or NTSSS (in accordance with Section 15 of the NTSSS Instrument in Writing).

- (a) The Territory's liability for a Superannuation Guarantee Charge in respect of the employee shall be discharged by the payment each payday, into a complying accumulation type superannuation fund or Approved Deposit Fund, of an amount equal to:

$$A\% \times \text{Fortnightly Ordinary Time Earnings}$$

Where:

"A%" means;

- on or after 10 August 1999 7%
- on or after 1 July 2000 8%
- on or after 1 July 2002 9%; and

"Fortnightly Ordinary Time Earnings" has the same meaning as in the Commonwealth Act.

- (b) Employees may select any complying accumulation type superannuation fund or Approved Deposit Fund which accepts electronic payments. On commencement employees are required to select a fund within 28 days, otherwise employer contributions will be paid to the Default Superannuation Fund.

11. Employees not otherwise entitled to superannuation benefits

- (a) Where an employee is not entitled to a benefit from the NTSSS, CSS or NTGPASS, or to a benefit under the Legislative Assembly Members' Superannuation Act, the Supreme Court (Judges Pensions) Act or the Administrators Pensions Act or a benefit under section 10 of these Administrative Instructions and the employee is not otherwise entitled to an additional benefit by virtue of these Administrative Instructions and provided that no other arrangement or payment discharges the Territory's liability for a Superannuation Guarantee Charge in respect of the employee, the additional benefit payable on cessation of Territory employment is the amount obtained by the formula :

$$\begin{aligned} & A\% \times \text{Updated Post July 92 Ordinary Time Earnings} + \\ & B\% \times \text{Updated Post July 95 Ordinary Time Earnings} + \\ & C\% \times \text{Updated Post July 98 Ordinary Time Earnings} + \\ & D\% \times \text{Updated Post July 2000 Ordinary Time Earnings} + \\ & E\% \times \text{Updated Post July 2002 Ordinary Time Earnings} \end{aligned}$$

For employee aged less than 55 years :

| | |
|-----|---|
| A = | 5 |
| B = | 1 |
| C = | 1 |
| D = | 1 |
| E = | 1 |

For employee aged 55 years or older :

| | |
|-----|---|
| A = | 6 |
| B = | 0 |
| C = | 1 |
| D = | 1 |
| E = | 1 |

- (b) Where the ordinary time earnings of an employee amount to less than \$450 in a financial year, no additional benefit is payable in respect of that financial year.