

## COAL INDUSTRY SUPERANNUATION

CE301

**COAL INDUSTRY SUPERANNUATION ACT 1989**  
**COAL INDUSTRY SUPERANNUATION AMENDMENT REGULATIONS**  
**1993**

Made by His Excellency the Governor in Executive Council.

**Citation**

1. These regulations may be cited as the *Coal Industry Superannuation Amendment Regulations 1993*.

**Principal regulations**

2. In these regulations the *Coal Industry Superannuation Regulations 1990\** are referred to as the principal regulations.

[\* *Published in the Gazette of 28 June 1990 at pp.3109-36.*  
*For amendments to 25 August 1993 see 1992 Index to Legislation of Western Australia, Table 4, p. 35.*]

**Regulation 21 amended**

3. Regulation 21 of the principal regulations is amended by deleting

“shall become entitled to —

(a) a cash termination benefit calculated in accordance with Schedule 1; or

(b) a preserved benefit calculated in accordance with Schedule 2,

as elected by the member at the time the member ceases employment with the employer.”

and substituting the following —

“

shall —

(a) become entitled to —

(i) a cash termination benefit calculated in accordance with Schedule 1; or

- (ii) a preserved benefit calculated in accordance with Schedule 2,

as elected by the member at the time the member ceases employment with the employer; and

- (b) become entitled to a preserved benefit calculated in accordance with Schedule 2B.

”

#### **Regulation 21A amended**

4. Regulation 21A of the principal regulations is amended by deleting

“is entitled at the member’s election —

- (a) to a preserved benefit in respect of membership calculated in accordance with Part 1 of Schedule 2A; or
- (b) to a cash benefit in respect of membership calculated in accordance with Part 2 of Schedule 2A.”

and substituting the following —

“

is —

- (a) entitled at the member’s election to a full preserved benefit in respect of membership calculated in accordance with Part 2 of Schedule 2A; or
- (b) entitled at the member’s election —
  - (i) to a cash benefit in respect of membership calculated in accordance with Part 2 of Schedule 2A; and
  - (ii) to a post-1992 preserved benefit in respect of membership calculated in accordance with Part 3 of Schedule 2A.

”

#### **Regulation 22 amended**

5. Regulation 22 (5) of the principal regulations is repealed and the following subregulation is substituted —

“

(5) The Board shall pay or transfer to any other superannuation fund, approved deposit fund, deferred annuity fund or other like fund, an amount calculated in accordance with Schedule 2C, if —

- (a) the member requests in writing that the Board do so; or
- (b) the Board is satisfied that the balance paid or transferred will be subject to the preservation requirements contained in any standards prescribed from time to time by regulation under the *Occupational Superannuation Standards Act 1987* of the Commonwealth.

”

#### **Regulation 52 amended**

6. Regulation 52 of the principal regulations is amended by deleting “a copy of the annual report and with” and substituting the following —

“

a report to members as required under the *Occupational Superannuation Standards Act 1987* of the Commonwealth and, upon request, a copy of the annual report and

”

**Schedule 2 amended****7. Schedule 2 to the principal regulations is amended —**

- (a) by deleting "PB = FAS x AP x f" and substituting the following —  
 " PB = FAS x APB x f "; and
- (b) by deleting the definition of "AP" and substituting the following definition —  
 " APB is the sum of all the accrual products of the member associated with service before 1 July 1992; "

**Schedule 2A amended****8. Schedule 2A to the principal regulations is amended —**

- (a) in Part 2 —
- (i) by deleting "CB = (0.3 x FAS x AP) + [0.7 x FAS x AP x (1+DR)<sup>-n</sup>]" and substituting the following —  
 " CB = (0.3 x FAS x AP) + (0.7 x FAS x APB x [1+DR]<sup>-n</sup>) ";  
 and
- (ii) by inserting after the definition of "AP" the following definition —  
 " APB is the sum of all the accrual products of the member associated with service before 1 July 1992; ",  
 and
- (b) by inserting after Part 2 the following Part —  
 "

PART 3  
 CALCULATION OF POST-1992 PRESERVED  
 BENEFIT UNDER APPROVED RETRENCHMENT  
 SCHEME

The formula for calculating a post-1992 preserved benefit in respect of a member under an approved retrenchment scheme is —

$$PB = 0.7 \times FAS \times APA$$

where —

PB is the preserved benefit;  
 FAS is the final average salary which applies to the member;  
 APA is the sum of all accrual products of the member applicable to membership after 30 June 1992 at the time of cessation of employment.

"

**Schedules 2B and 2C inserted****9. After Schedule 2A to the principal regulations the following Schedules are inserted —**

"

SCHEDULE 2B

(Reg. 21)

CALCULATION OF PRESERVED BENEFIT ON RESIGNATION

The formula for calculating a preserved benefit for the purposes of regulation 21 (b) is —

$$PB = 0.7 \times FAS \times APA$$

where —

PB is the preserved benefit;  
 FAS is the final average salary which applies to the member;  
 APA is the sum of all accrual products of the member applicable to membership after 30 June 1992 at the time of cessation of employment.

## SCHEDULE 2C

(Reg. 22)

## CALCULATION OF CASH TRANSFER VALUE

The formula for calculating a cash transfer value in respect of a member is —

$$TV = MFE - MFC + ([EFE - UEFP] \times DF)$$

where —

- TV is the transfer value;
- MFE is the member financed entitlement multiple calculated as  $0.3 \times AP$ ;
- MFC is the member financed cash benefit multiple previously paid, calculated as the lesser of —  
 $PC \div PFAS$  and  $0.3 \times AP$ ;
- EFE is the employer financed entitlement multiple calculated as —
- (a) if the member had been retrenched —  
 $0.7 \times AP$ ;
  - (b) if the member had resigned and had not been paid a benefit under regulation 21 (a) (i) —  
 $(0.7 \times APA) + ([f - 0.3] \times APB)$ ; or
  - (c) if the member had resigned and had been paid a benefit under regulation 21 (a) (i) —  
 $0.7 \times APA$ ;
- UEFP is the undiscounted employer financed multiple applicable to any payment previously made, calculated as —
- (a) if the member received a payment under regulation 21A (b) —  
 $0.7 \times APB$ ; or
  - (b) in other cases, 0;
- DF is the discount factor calculated as —  
 $(1 + DR)^n$ ;
- AP is the sum of all accrual products of the member at the time of cessation of employment;
- PC is the amount of any cash benefit paid under regulation 21 (a) (i) or 21A (b) (i);
- PFAS is the final average salary which applied to the member at the time of the payment of PC;
- APA is the sum of all the accrual products of the member applicable to membership after 30 June 1992 at the time of cessation of employment;
- f is the vesting factor, calculated in the same manner as in Schedule 2;
- APB is the sum of all the accrual products applicable to membership at 30 June 1992;
- DR is the discount rate determined from time to time by the Board; and
- n is the number of years or portions of years, expressed to 2 decimal places, by which the age of the member is less than 55 years.

By His Excellency's Command,

M. C. WAUCHOPE, Clerk of the Council.