



Speech by

**Hon. J. FOURAS**

**MEMBER FOR ASHGROVE**

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Hansard 29 October 2002

**SUPERANNUATION LEGISLATION AMENDMENT BILL**

**Hon. J. FOURAS** (Ashgrove—ALP) (3.56 p.m.): In rising to speak to the Superannuation Legislation Amendment Bill, I am glad that I am the second member to speak to it because it is highly possible that a very astute chair would find our comments on these limited number of clauses certainly repetitions and perhaps tedious, and I said that I would try to be brief under those circumstances. With regard to the judges act, it is important that legislation treats the remarriage of a widow of a judge or a retired judge consistently with that relating to the treatment of widows under the Parliamentary Contributory Superannuation Act. When the widow of a member of parliament remarries, they do not have to give away their pension paid for by their spouse.

The issue that interests me in a pecuniary way is that, currently, when a member retires they have to pay the superannuation surcharge. The only way it can be paid at the moment after they retire is out of their own pocket, which is the same thing as it coming out of the scheme. However, there was no option before for it to be paid out of the pension entitlement. This amendment gives a second option to members to pay the superannuation surcharge from their pension after they retire and of course that would decrease their pension. I presume that they would also have the option of sending a cheque and keeping the full pension.

The Treasurer would be interested to hear that the he, Vince Lester and I no longer have to worry about the federal government's superannuation surcharge because we have reached 20 years of service in this parliament. It is unfortunate for new members because the employer pays a higher rate of accrual in the earlier years. In fact, from years nought to eight it is six and a quarter per cent per annum, which means that in eight years a member gets 50 per cent of their salary. For the next 12 years it slows down to 2.5 per cent per annum. In the early days, all new members would note that the surcharge is substantially higher than it is later. However, the Treasurer and I do not have to worry about that. This bill is good in that it gives us a choice when we go to either—

**Mr Mackenroth:** I have reached the stage where I pay nothing.

**Mr Purcell** interjected.

**Mr FOURAS:** That is true. The bottom line is that it does not involve us.

With regard to a member having a wife and a de facto when he passes away, I note that this amendment states there can be only one total payment for that amount and it goes to the trustees of the fund. Normally the trustees are the Leader of the Opposition, the Premier and the Speaker of the day. I imagine those circumstances would give rise to quite an interesting debate. They would have to have the wisdom of Solomon.

**Mr Purcell:** Put the knife into it—straight down the guts. Half each and that's the end of it.

**Mr FOURAS:** I do not think that is a rule of thumb. If it were, I think it would be stated in the legislation. It is a very complicated matter.

Members of parliament are criticised by some people, particularly journalists, who say that we have this unbelievably wonderful superannuation scheme. I said to someone the other day, 'If you looked at what the Treasurer of the day or the Premier of the day are paid for extra duties—what they do as well as being a member of parliament—you would see that it is the largest underpayment you could ever imagine.' As people who make the sacrifice, give up careers and so on, we do have a meaningful superannuation scheme—and I think justifiably so. The amendments before the House will be accepted by the opposition, and I am happy to wholeheartedly support the bill.