

As a Gold State Super member, your Final Benefit is based on a multiple of your years of service, and an average of your equivalent full-time remuneration leading up to the cessation of your contributory membership. This fact sheet will assist you to understand what payments can be included as part of your remuneration. These rules are determined by the provisions of the *State Superannuation Regulations 2001*.

What is included as Gold State Super remuneration?

As a principle, any payments or types of income you receive are included as part of your Gold State Super remuneration if they are permanent, ongoing payments. Generally, this includes your base salary, salary packaged amounts, commuted overtime payments and most ongoing allowances related to you performing your job.

Note: allowances are always averaged annually. Where Gold State Super remuneration changes five or more times annually, the remuneration is also averaged.

What is excluded from Gold State Super remuneration?

- Any irregular payments or allowances, or allowances to reimburse you for personal expenses related to your job. Examples include bonuses, payments for overtime, and allowances for rent, travelling or equipment
- Any additional salary paid while on secondment
- Any prescribed temporary allowances - referred to as 'special allowances' below

Special allowances include:

- a Higher Duties Allowance
- a temporary special allowance
- an increase in remuneration as a result of being appointed temporarily to a higher paid position, or
- any other temporary arrangement which results in you receiving a higher salary for a limited period

Inclusion of special allowances and secondment remuneration when calculating your Final Benefit

Your Final Benefit is calculated by averaging your remuneration over three dates prior to the cessation of your contributory membership. The dates include your membership cessation date and your two previous Selection Dates. The Selection Dates are dates approximately two months before your last two birthdays prior to your membership cessation. For more information, please read the '**Gold State Super essentials**' brochure available at www.gesb.com.au/brochures

If you have been continuously receiving a special allowance, or you have been on secondment for at least 12 months including your Selection Dates, these payments can be included as part of remuneration on these dates.

What can I do if my special allowance or secondment arrangement is going to cease?

If you have a special allowance or secondment arrangement which is about to cease, and you are close to retiring, you could optimise your Final Benefit by withdrawing from Gold State Super just prior to ceasing the arrangement. This would allow you to qualify for the higher temporary allowance to be included as part of your Final Remuneration. This could significantly improve the amount of your final Gold State Super benefit. Your decision will depend on your personal circumstances. Please call your Member Services Centre on 13 43 72 for more information.

Reducing your hours of work

Reducing your hours of work has no effect on the remuneration used for calculating your final Gold State Super benefit – as your benefit is based on a multiple of your equivalent full-time remuneration. For more information on working part-time, please read the '**Gold State Super essentials**' brochure, available at www.gesb.com.au/brochures

Salary maintenance

If your equivalent full-time remuneration is reduced for any reason you may be able to 'preserve' the higher remuneration through 'salary maintenance'. This is particularly important if you are close to retirement or the cessation of your membership. See overleaf for information on salary maintenance.

For more information about Gold State Super and how we calculate your Final Benefit, please read the '**Gold State Super essentials**' brochure, available at www.gesb.com.au/brochures

Salary maintenance enables you to preserve the value of the benefit that you have already accrued, when a change in employment conditions results in a decrease in your Gold State Super remuneration. This fact sheet explains the two types of salary maintenance available and when they may apply.

Benefits in Gold State Super are calculated as a multiple of your Gold State Super remuneration. If your equivalent full-time Gold State Super remuneration is reduced, your benefit will subsequently reduce. Salary maintenance enables you to preserve the value of the benefit that you have already accrued, and may also protect the accrual of benefits in the future.

Types of salary maintenance

There are two types of salary maintenance: either full or partial, depending on your age at the time of the salary reduction and the circumstances leading to the reduction in your Gold State Super remuneration.

Full salary maintenance

This allows your contributions and entitlements to be maintained, including any salary increases of the higher paid position that you previously held.

Full salary maintenance may apply if:

- You accept a lower paid position due to ill health or workers' compensation
- You accept a lower paid position within the same organisation or another WA State Government employer due to redeployment
- You accept a lower paid position if your job is reclassified after positions are reorganised by your employer
- You are aged 50 years or over and you choose to reduce your salary voluntarily

Partial salary maintenance

This allows your contributions and entitlements to be based on your higher salary until such time as the salary of your new position exceeds it.

Partial salary maintenance may apply if you are aged under 50 and you choose to reduce your salary voluntarily.

Examples of voluntary salary reduction include:

- If you lose allowances (not including 'special allowances') in your current position or by taking a new position
- If you accept a lower paid position for personal reasons

Misconduct or inefficiency

Salary maintenance will not apply if your salary is reduced due to your own misconduct or inefficiency.

Applying for salary maintenance

If you wish to apply for salary maintenance, you are required to put your request in writing, quoting your member number and the contact details of your employer at the time of the reduction. GESB will advise you on the outcome of your application.

The letter can be posted to:

GESB
PO Box J 755
Perth WA 6842
or faxed to **1800 300 067**

Disclaimer: the information contained in this fact sheet is of a general nature, and does not constitute legal, taxation or personal financial advice. In providing this information GESB has not taken into account your investment objectives, financial situation or needs. GESB is not licensed to provide financial product advice. You should read this fact sheet in conjunction with other relevant disclosure documents GESB has prepared for Gold State Super members including the 'Gold State Super essentials' brochure available at www.gesb.com.au/brochures. You may also wish to consult a suitably qualified adviser to ascertain whether the information contained in this fact sheet is appropriate for you.

How to contact us

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