



# Significant Event Notification

## State super changes now in effect to implement *Protecting Your Super*



September 2024

As a result of recent amendments to the *State Superannuation Regulations 2001*, GESB's governing regulations, important changes to your super are coming into effect as of 25 September 2024.

The changes were made to align Western Australian (WA) State super arrangements with the Australian Government's *Protecting Your Super* reforms as implemented across the wider super industry.

As a GESB member, you should note the changes outlined below and consider how they may impact you.

### Measures to protect members' savings

*Protecting Your Super* legislation introduced measures to protect members who are not making regular contributions to their accumulation accounts, by stopping their super from being eroded by account fees and insurance premiums.

GESB has now aligned with the superannuation industry to:

- Cancel insurance in GESB Super and West State Super accounts where relevant contributions have not been received for 16 months
- Transfer inactive low balance GESB Super and West State Super accounts to the Australian Taxation Office (ATO)

A relevant contribution includes before and after-tax contributions from you or your employer and rollovers. See the 'Insurance and your super' brochure, available at [gesb.wa.gov.au/brochures](https://gesb.wa.gov.au/brochures), for a full list of relevant contributions.

### Cancellation of insurance

Your GESB Super and/or West State Super insurance will be cancelled if your account has not received a relevant contribution at any time during a period of 16 continuous months, and you have not told us you want to keep your insurance.

### GESB will notify you if your insurance cover may be cancelled

We will write to you using the contact details we have on record to notify you that your account has not received a contribution or rollover after nine, 12 and 15 months, and provide you with the opportunity to keep your insurance cover.

It is important to note that we are required by law to cease insurance cover after 16 months of inactivity, even if you do not receive our notifications beforehand. For example, because the address we hold for you is out of date or you are otherwise uncontactable. For this reason, it is important you keep your contact details up to date so we can get in touch with you about your super.

### How to advise GESB that you want to retain your insurance if your account becomes inactive

If you want to keep your insurance in the event your account becomes inactive, you can either make a contribution (or roll over super from another fund) to that account or inform us that you wish to keep your cover.

When we write to you at the 9, 12 and 15 month-mark to notify you about your account status, we will let you know how to advise GESB to keep your insurance.

Your election to retain insurance will be applied to the insurance cover that you have in your West State Super or GESB Super account, which may include Death, Total and Permanent Disablement (TPD) and Salary Continuance Insurance (SCI).

Your insurance cover will remain in place until either you choose to cancel it, or it ceases due to other reasons such as age or insufficient funds. If you have SCI cover, it may also lapse if no Superannuation Guarantee (SG) is received within 180 days. See the 'Insurance in your super' brochure at [gesb.wa.gov.au/brochures](https://gesb.wa.gov.au/brochures) for details.

You can view your insurance information at any time through Member Online, and annually in your member statement.

## Transfer of inactive low balance accounts to the ATO

If your GESB Super or West State Super account has been continuously inactive for 16 months and has a balance of less than \$6,000, it will be classified as an inactive low balance account and the balance transferred to the ATO.

Your account will be classified as inactive low balance if **all** the following applies:

- You haven't made any relevant contributions or rollovers to the account within the last 16 months
- There is no insurance on the account
- You haven't made any changes to your investment options, insurance cover or binding beneficiary nominations related to the account in the last 16 months
- You haven't met a condition of release, for example you turned 65

If your account fits the above criteria, it will be closed and the balance will be transferred to the ATO, unless you notify us that you wish to keep your account with GESB.

Within 28 days of receiving your money, the ATO will try to transfer your account balance to an active super fund if you have one. This is likely to be the super fund account to which you make regular payments.

### GESB will notify you if your account may be being transferred to the ATO

We will write to you using the contact details we have on record to notify you that your account is classified as an inactive low balance account before it is closed and transferred to the ATO.

You can advise us at this time that you'd like to keep your account with GESB.

You can also take **any** of the following actions before the end of the 16-month period of inactivity to stop your account being classified as inactive low balance:

- Made a contribution or roll money into your account
- Make changes to your insurance or elect to maintain insurance
- Make changes to your investment options
- Set up or change a binding beneficiary nomination
- Advise GESB that your account should not be treated as an inactive low balance account

If you have not advised us that you'd like to keep your account with GESB or taken one of the activities as set out above within the 16 months of inactivity, we will close your low balance inactive account and transfer the balance to the ATO.

It is important to note that we are required to transfer your money to the ATO if your account is classified as inactive low balance, even if you do not receive our notifications beforehand. For example, because the address we hold for you is out of date or you are otherwise uncontactable. For this reason, it is important you keep your contact details up to date so we can get in touch with you about your super.

### How to advise GESB that you want to retain your account with us

When we notify you about your inactive low balance GESB Super or West State Super account, you can inform us in writing that you wish to keep your account with GESB.

Your declaration remains valid for 16 months of inactivity.

## Find out more

- Read our article about the changes, including examples of how they may apply, at [gesb.wa.gov.au/protecting-your-super](https://gesb.wa.gov.au/protecting-your-super)
- Read the Product Information Booklets and 'Insurance in your super' brochure for details of our accounts and insurance, available at [gesb.wa.gov.au/brochures](https://gesb.wa.gov.au/brochures)
- Check and update your contact details and account information in Member Online at [mol.gesb.wa.gov.au](https://mol.gesb.wa.gov.au)

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The Insurer is AIA Australia Limited ABN 79 004 837 861 AFSL 230043

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