The Parliament of South Australia enacts as follows:

Short title
1. (1) This Act may be cited as the Police Pensions Act Amendment Act, 1989.
   (2) The Police Pensions Act, 1971, is referred to in this Act as “the principal Act”.

Commencement
2. This Act will come into operation on a day to be fixed by proclamation.

Effect of other income on pensions
3. Section 41 of the principal Act is amended by striking out subsections (1), (2), (3) and (4) and substituting the following subsections:

   (1) Where, in relation to a particular period, an invalid pensioner (or a person who would but for this subsection be entitled to a pension as an invalid pensioner) who has not reached the age of retirement is receiving or entitled to receive income (other income) of one or both of the following kinds:

   (a) weekly workers compensation payments;

   (b) income from remunerative activities engaged in by the contributor,

   the following provisions apply:

   (c) the pension will be reduced by the amount of the workers compensation payments and if those payments equal or exceed the amount of the pension, the pension will be suspended;

   (d) if the aggregate of the pension and the other income exceeds the equivalent salary, the pension will be reduced by the amount of the excess and, if that amount equals or exceeds the amount of the pension, the pension will be suspended.

(2) Where in relation to a particular period—

   (a) the spouse of a deceased contributor or invalid pensioner is receiving or would, but for this subsection, be entitled to receive, a pension under this Act;
the spouse is also receiving, or entitled to receive weekly workers compensation payments in consequence of the death of the contributor or invalid pensioner,

the following provisions apply:

(c) if the weekly workers compensation payments equal or exceed the amount of the pension, the pension will be suspended;

(d) in any other case, the pension will be reduced so that the aggregate equals the pension that the spouse would have received if there had been no entitlement to workers compensation.

(3) Where an eligible child of a deceased contributor or invalid pensioner is receiving or entitled to receive weekly workers compensation payments in consequence of the death of the contributor or invalid pensioner, the following provisions apply:

(a) if the weekly workers compensation payments equal or exceed the amount of the child's allowance, the allowance will be suspended;

(b) in any other case, the allowance will be reduced so that the aggregate equals the allowance that the child would have received if there had been no entitlement to workers compensation.

(4) For the purposes of this section, if weekly workers compensation payments that would have been payable over a particular period are commuted to a lump sum, the person for whose benefit the weekly payments would, but for the commutation, have been paid will be taken to be receiving those payments over that period.

(4a) Where a pensioner whose pension is subject to suspension or reduction under this section dies, the suspension or reduction will be ignored in calculating any pension or allowance that becomes payable on the pensioner's death to a spouse or eligible child of the pensioner.

(4b) The adjustment (based on the Consumer Price Index) of a pension or child's allowance that is subject to suspension or reduction under this section will be based on the amount of the pension or allowance that would have been payable if it had not been subject to suspension or reduction.

Insertion of s. 41a

4. The following section is inserted after section 41 of the principal Act:

Effect of workers compensation on payment of lump sums

41a. Where a pension or spouse's pension that would otherwise be payable to a person is suspended, or is liable to suspension, by virtue of that person's receipt of, or entitlement to, weekly workers compensation payments, payment of a lump sum that that person is entitled to under this Act will be suspended until the whole or part of the pension becomes payable.

In the name and on behalf of Her Majesty, I hereby assent to this Bill.

D. B. DUNSTAN, Governor