

Child Pensions

On the death of a SSS member, male or female, benefits are payable for eligible children. A SSS member is a contributor, deferred benefit member, or pension member and may include a person who commuted (exchanged) their entire pension to a lump sum on retirement.

An eligible child is:

- a child of the SSS member, or
- a child of the member's spouse, where the child:
 - must have been born or adopted before the death of the member, and
 - must have been ordinarily part of the member's household at the time of the death of the member.

In each of the circumstances outlined above, the child must be under the age of 18, or under the age of 25 if in full-time education at a school, college or university recognised by the Trustee. Benefits in respect of an eligible child are generally payable to the surviving parent or guardian of the child.

Benefits

Where deceased is survived by an eligible spouse

On the death of a contributor, deferred benefit member or pension member who is survived by an eligible spouse, the benefit paid in respect of each eligible child is generally a fortnightly pension unless the Trustee considers an alternative prescribed benefit to be in the best interests of the child or children.

Where deceased is **not** survived by an eligible spouse

On the death of a contributor who is not survived by an eligible spouse but is survived by an eligible child, the benefit payable is:

- a lump sum equal to the deceased's withdrawal benefit from the scheme. The benefit is payable to the legal personal representative of the deceased SSS member, or
- a refund of the deceased's personal contributions paid to SSS, plus for each eligible child, a fortnightly pension. The refund is paid to the legal personal representative of the deceased SSS member.

On the death of a deferred benefit member who is not survived by an eligible spouse but is survived by an eligible child, the benefit payable is:

- a lump sum equal to the immediate lump sum that would have been payable to the deceased immediately prior to the date of death. The benefit is payable to the legal personal representative of the deceased SSS deferred member, or
- a fortnightly pension for each eligible child.

On the death of a pension member who is not survived by an eligible spouse but is survived by an eligible child, the benefit payable is:

- a fortnightly pension for each eligible child, or
- a payment of the guaranteed minimum benefit, in lieu of a child pension. The guaranteed minimum benefit is the lump sum withdrawal benefit that would have been payable to the contributor at the time they exited from employment, less any pension payments or lump sum amounts that have been paid to both the pension member and any eligible spouse since that date. The benefit is payable to the legal personal representative of the deceased pension member.

The STC schemes are administered by Mercer Administration Services (Australia) Pty Ltd on behalf of the schemes' trustee, SAS Trustee Corporation (STC). STC is governed by the *Superannuation Act 1916*, the *State Authorities Superannuation Act 1987*, the *State Authorities Non-contributory Superannuation Act 1987*, the *Superannuation Administration Act 1996* and the *Police Regulation (Superannuation) Act 1906*. The schemes are also subject to Commonwealth superannuation and tax legislation.

STC has published this fact sheet. STC is not licenced to provide financial product advice in relation to the STC schemes or to their members.

Reasonable care has been taken in producing the information in this fact sheet and nothing in it is intended to be or should be regarded as personal advice. If there is any inconsistency between the information in this fact sheet and the relevant scheme legislation, the scheme legislation will prevail. In preparing this fact sheet, STC has not taken into account your objectives, financial situation or needs. You should consider your personal circumstances, and possibly seek professional advice, before making any decision that affects your future.

To the extent permitted by law, STC, its directors and employees do not warrant the accuracy, reliability or completeness of the information contained or omitted from this fact sheet.

In all cases outlined on the previous page, payment will be decided subject to what the Trustee considers to be in the best interests of the child or children.

Pension indexation

Child pensions receive annual cost-of-living adjustments, based on movements in the Consumer Price (All Groups Sydney) Index. The adjustment occurs on the first pension payday in October each year.

Who is an eligible spouse for benefit purposes?

The 'spouse' of a SSS member, deferred benefit member or pension member includes:

- a widow or widower of the deceased
- another person (whether of the same or a different gender) who, although not legally married to the person, lives with the person on a genuine domestic basis in a relationship as a couple
- another person (whether of the same or a different gender) with whom the person is in a relationship that has been registered under a state or territory law dealing with the registration of certain prescribed relationships.

Important note: Where the deceased member was a pension member, the following criterion must also be met.

- the relationship commenced before the deceased pension member retired, and remained so until the death of the pension member, or
- the deceased was an invalidity pension member, and the relationship commenced after the pension member became entitled to receive a pension but before they attained the normal retirement age, and the relationship existed for more than 3 years before the pension member's death, or
- the relationship commenced after the deceased pension member retired, providing there is a child born of the relationship who was wholly or substantially dependent on

the deceased at any time, or there was an unborn child of the deceased who was conceived before but born alive after the date of death. A benefit is only payable under this rule if the date of death occurred after 28 November 2002.

Fact sheets about related topics are:

SSS Fact Sheet 10 *Death of a scheme member before retirement*

SSS Fact Sheet 11 *Death of a scheme member after retirement*

STC Fact Sheet 11 *CPI Adjustment of your pension*

More information

If you need more information, please contact us:

Telephone: **1300 130 096** (for the cost of a local call, unless calling from a mobile or pay phone)
8.30 am to 5.30 pm, Monday to Friday.

Personal interviews: Please phone 1300 130 096 to make an appointment.

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