

FIRST PRINT

**STATE PUBLIC SERVICE SUPERANNUATION
(AMENDMENT) BILL 1985**

EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The Superannuation (Further Amendment) Bill 1985 is cognate with this Bill.

The objects of this Bill are—

- (a) to make a number of miscellaneous amendments to the State Public Service Superannuation Act 1985 relating to the superannuation scheme established under that Act; and
 - (b) to reconstitute the State Public Service Superannuation Board by providing for an additional part-time member who is also a member of the Public Authorities Superannuation Board.
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Clause 1 specifies the short title of the proposed Act.

Clause 2 provides that the amendments to the Principal Act relating to the constitution of the Board are to commence on a date to be appointed by the Governor-in-Council and the other amendments (with minor exceptions) are to be deemed to have commenced on 1 July 1985 (the date on which the Principal Act commenced).

Clause 3 defines the Principal Act.

Clause 4 lists the Schedules to the proposed Act.

Clause 5 is a formal provision that gives effect to the Schedules of amendments to the Principal Act.

SCHEDULE 1—MISCELLANEOUS AMENDMENTS TO THE PRINCIPAL ACT

Schedule 1 (1) (a) is consequential on the amendment made by Schedule 1 (3) (e).

Schedule 1 (1) (b) makes it clear that the definition of “superannuation scheme” includes a scheme which is not established by legislation.

Schedule 1 (1) (c) is a minor consequential amendment.

Schedule 1 (1) (d) provides, in similar terms to the Superannuation Act 1916, for the Joint Coal Board to be the employer of persons appointed as Local Coal Authorities in the State.

Schedule 1 (2) provides for the appropriate reduction in the rate of contributions (but not of benefits) where a contributor is on part-time leave without pay.

Schedule 1 (3) (a)–(c) and (4) provide for the crediting of interest to all accounts instead of only contributors' and employers' accounts.

Schedule 1 (3) (d) and (e) clarify the provisions relating to the debiting and crediting of employers' accounts.

Schedule 1 (5) (a) provides for the form of elections to contribute to the Fund and of certificates by employers to be determined by the Board instead of being prescribed by regulation.

Schedule 1 (5) (b) raises from 55 years to 60 years the age at which a person is no longer entitled to contribute to the Fund.

Schedule 1 (5) (c) ensures that a contributor to another superannuation scheme who becomes entitled to contribute to the Fund may elect to transfer to the Fund without first ceasing to contribute to the other scheme and may make that election on condition that the Board approves an application by the contributor to be covered for the supplementary death or breakdown benefit.

Schedule 1 (6) (a) is a minor consequential amendment.

Schedule 1 (6) (b) provides that the medical examination of an applicant for the supplementary death or breakdown benefit is to be as determined by the Board instead of as prescribed by the regulations (the amendment brings the Principal Act into line with the Public Authorities Superannuation Act 1985 in this respect).

Schedule 1 (6) (c) enables the Board to require an applicant for the additional death or breakdown benefit to submit to further medical examinations and to provide further medical reports.

Schedule 1 (7) is a minor amendment that clarifies the application of a formula used to determine the contribution rate of certain contributors.

Schedule 1 (8) provides for an initial period of contribution for contributors on part-time leave without pay that is proportionate to the 3 months' period that applies to contributors on full-time leave without pay.

Schedule 1 (9) provides for a resumption of contributions to the Fund by a person who is re-employed within 3 months after retrenchment.

Schedule 1 (10) and (11) are minor consequential amendments.

Schedule 1 (12) makes it clear that, in adjusting a contributor's membership period for the purposes of determining maximum benefit points, periods in which contributions are not made are required to be excluded.

Schedule 1 (13) is a minor consequential amendment.

Schedule 1 (14) makes it clear that the benefit payable on discharge is payable on the expiration of the term of office of a contributor appointed only for a term.

Schedule 1 (15) (a) enables a contributor who is retrenched to take a preserved benefit.

Schedule 1 (15) (b) is a minor consequential amendment.

Schedule 1 (15) (c) provides that where a contributor while employed by the same employer becomes a contributor to another superannuation scheme or otherwise ceases to be entitled to contribute to the Fund the contributor is required to take the preserved benefit and is not entitled to a withdrawal benefit while employed by that same employer.

Schedule 1 (16) authorises the employment by the Board of agents or subagents who are not banks to receive or pay money.

Schedule 1 (17) extends the power of the Board to appoint its members and staff as directors of companies in which it invests to other officers of those companies.

Schedule 1 (18) clarifies the protection from personal liability for members and staff of the Board in connection with the exercise of their functions.

Schedule 1 (19) extends the power of the Board to obtain statistical information from employers about contributors to persons who may become contributors.

Schedule 1 (20) and (21) are minor consequential amendments.

Schedule 1 (22) removes the Trustees of the Sydney Grammar School from the list of employers under the Principal Act.

Schedule 1 (23) makes amendments of a minor, savings or transitional nature.

SCHEDULE 2—AMENDMENTS TO THE PRINCIPAL ACT RELATING TO THE CONSTITUTION OF THE BOARD

Schedule 2 (1) increases the membership of the Board by the addition of the part-time appointed member of the State Superannuation Board (being the member who is also a member of the Public Authorities Superannuation Board).

Schedule 2 (2) preserves the validity of proceedings of the Board and acts of its members arising from a possible conflict of interest of a member who is also a member of the Public Authorities Superannuation Board.

Schedule 2 (3) increases the quorum for a meeting of the Board from 3 members to 4.

