

## SUPERANNUATION (AMENDMENT) BILL 1987

NEW SOUTH WALES



### EXPLANATORY NOTE

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

This Bill is cognate with the Superannuation Administration Bill 1987.

The object of this Bill is to amend the Superannuation Act 1916 as a consequence of the proposed enactment of the Superannuation Administration Bill 1987 and the State Authorities Superannuation Bill 1987.

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Clause 1 specifies the short title of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

Clause 3 gives effect to the Schedule of amendments to the Principal Act.

Schedule 1 (1) amends section 3 (1) of the Principal Act in order to substitute the definitions of "Board" (to accord with the establishment, by the proposed Superannuation Administration Act 1987, of the new State Authorities Superannuation Board) and "Salary" (to accord with proposed section 3A, inserted by Schedule 1 (2)).

Schedule 1 (2) inserts a new section 3A into the Principal Act which sets out the amounts, allowances etc. included in "salary" for the purposes of the proposed Act.

Schedule 1 (3)–(6) omit sections 4A, 6A, 8 and 9 of the Principal Act, the provisions of which are superseded by provisions of the proposed Superannuation Administration Act 1987.

Schedule 1 (7) and (8) omit sections 12D and 12E of the Principal Act, and are consequential on the amendment made by Schedule 1 (2).

Schedule 1 (9) substitutes section 22 (2) of the Principal Act so that the question of whether a particular employee is an invalid for the purposes of the Act is to be determined by the Board, having regard to medical advice from the Government Medical Officer or one or more medical practitioners nominated by the Board.

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Schedule 1 (10) and (11) amend sections 28A and 28AA of the Principal Act so as to vary the time at which any pension on early voluntary retirement is payable. (Previously it was payable after the expiry of a time equal to the untaken leave accrued to the contributor at the contributor's exit day; now it is to be payable immediately after the exit day.)

Schedule 1 (12) inserts a new section 61U into the Principal Act. The new section empowers the Board to pay interest, at its discretion, on benefits paid under the Principal Act, and validates past action in this regard.

Schedule 1 (13) omits Part VI of the Principal Act (other than section 84A), the provisions of which constituted the State Superannuation Board.

Schedule 1 (14) removes section 84A of the Principal Act (the only remaining section of Part VI) to Part VII.

Schedule 1 (15) and (16) omit sections 85 and 85A, the provisions of which are superseded by provisions of the proposed Superannuation Administration Act 1987.

Schedule 1 (17) substitutes section 88 of the Principal Act. The new section renders void any proposed assignment of, or charge over, a benefit under the Principal Act, but enables payments to be made by the Board in accordance with a request made by a beneficiary.

Schedule 1 (18) substitutes section 88A of the Principal Act. The new section provides for payment, in the event of death, of a benefit without a grant of probate or letters of administration, or in anticipation of a claim under the Family Provision Act 1982.

Schedule 1 (19) inserts a new clause 4 into Schedule XXI to the Principal Act. That Schedule allowed certain employees to elect to contribute to the State Superannuation Fund in 1985, but some of them did not do so. The new clause allows the Board, at its discretion, to allow a person to have another opportunity to elect to become a contributor if the Board is satisfied that the person's failure to make a valid election previously was due to some act or omission on the part of the person's employer or the Board. To take the benefit of the new clause, the person must be generally suitable (as regards health, continuity of service etc.) to be a contributor.

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