

Act No. 227 of 1989

**SUPERANNUATION ADMINISTRATION (AMENDMENT) BILL
1989**

NEW SOUTH WALES



EXPLANATORY NOTE

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

The Public Sector Executives Superannuation (Amendment) Bill 1989 and the Miscellaneous Acts (Public Sector Executives Superannuation) Further Amendment Bill 1989 are cognate with this Bill.

The object of this Bill is to amend the Superannuation Administration Act 1987 so as:

- (a) to empower the Board to undertake the administration of superannuation schemes other than those referred to in section 15 of the Act and for that purpose to empower the State Authorities Superannuation Board to form, or to participate in the formation of, companies and to acquire shares in and other securities of companies;
- (b) to provide a different basis for calculating the liability of employers to meet the management costs of the Board in relation to the management of the State Authorities Non-contributory Superannuation Scheme;
- (c) to provide a different basis for calculating the liability of contributors and employers to meet certain of the Board's management costs; and
- (d) to require employers to meet some of the costs of maintaining and operating the New South Wales Superannuation Office.

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides for the amendments contained in Schedule 1(1) to be taken to have commenced on 1 October 1989, for the amendments contained in Schedule 1(2)

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to commence 28 days after the date of assent to the proposed Act and for the remainder of the proposed Act to be taken to have commenced on 1 July 1989.

Clause 3 gives effect to Schedule 1, which contains amendments to the Superannuation Administration Act 1987.

Schedule 1 (1) inserts into the Principal Act a new section, 15A, which will empower the Board to undertake the administration and management of superannuation schemes other than those referred to in section 15 of that Act. The new section will also empower the Board to form, or participate in the formation of, companies and to acquire shares in and other securities of companies.

Schedule 1 (2) amends section 22 of the Principal Act (which relates to the payment of the Board's management costs). As a result of the amendment, the liability of an employer or group of employers to meet the Board's costs in managing the State Authorities Non-contributory Superannuation Scheme is to be calculated on the basis of the number of employees who are members of the Scheme and the number of those employees who are employed by the employer or by an employer belonging to the group of employers. Schedule 1 (2) further amends section 22 of the Principal Act by providing a new basis for calculating the respective liabilities of contributors to superannuation schemes managed by the Board and their employers with respect to the costs incurred by the Board (other than the costs involved in relation to the Police Superannuation Fund, in investing funds managed by the Board and in relation to the State Authorities Non-contributory Superannuation Scheme).

Schedule 1 (3) inserts into the Principal Act a new section, 23A, which will require the Board to make contributions towards the costs of maintaining and operating the New South Wales Superannuation Office. The Board will be able to recoup those contributions from employers who are required to contribute to superannuation funds administered by the Board.
