

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The objects of this Bill are as follows:

(a) to amend the *Superannuation Administration Act 1996* to enable STC Trustee Corporation to transfer State sector surplus employer reserves to other such reserves and to return non State sector surplus employer reserves to those employers,

(b) to insert a two year time limit to dispute an STC Trustee Corporation decision under the *Police Regulation (Superannuation) Act 1906*, the *State Authorities Non-contributory Superannuation Act 1987*, the *State Authorities Superannuation Act 1987* or the *Superannuation Act 1916* from the date of notification of the right to dispute that decision,

(c) to make other statute law revision amendments.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to the proposed Act.

Clause 3 is a formal provision that gives effect to the amendments to the *Superannuation Administration Act 1996* set out in Schedule 1.

Clause 4 is a formal provision that gives effect to the amendments to the Acts set out in Schedule 2.

Clause 5 provides for the repeal of the proposed Act after all the amendments made by the proposed Act have commenced. Once the amendments have commenced the proposed Act will be spent and section 30 of the *Interpretation Act 1987* provides that the repeal of an amending Act does not affect the amendments made by that Act.

Schedule 1 Amendment of Superannuation Administration Act 1996

STC Trustee Corporation is the trustee of a number of closed defined benefit superannuation schemes. The proposed amendments will allow the transfer of surplus funds between the reserves of State sector employers and the payment of surplus funds in the reserves of non State sector employers to those employers. Surplus funds are funds that exceed the amount required to meet the current and future liabilities under the scheme to which they relate as determined in accordance with Accounting Standard AASB 119: *Employee Benefits* or another standard prescribed by the regulations.

Schedule 1 [1] inserts the definitions of **State sector employer** and **surplus funds**.

Schedule 1 [6] inserts a new section 81A. The proposed section provides that:

(a) the STC may, at the request of the Treasurer, debit all or part of the surplus funds from a State sector employer reserve and credit those funds to a reserve of that employer in another STC scheme, or the reserves of one or more other State sector employers in the same or another STC scheme, and

(b) the STC may, at the request of an employer who is not a State sector employer, such as a local council, debit all or part of the surplus funds from the employer's reserve and pay that amount to the employer.

Schedule 1 [2] inserts an advisory note to explain that the rights of scheme members and other persons to lodge a dispute with STC in relation to STC schemes are set out in the relevant STC scheme statutes.

Schedule 1 [3], [5] and [7] make statute law revision amendments following the enactment of the *First State Superannuation Legislation Amendment (Conversion) Act 2005*.

Schedule 1 [4] and [8] update references to the *Public Sector Employment and Management Act 2002*.

Schedule 2 Amendment of other Acts

The *Superannuation Administration Act 1996* currently provides for the determination of disputes under section 67 but does not contain any express requirements, including a time frame, for the lodgement of those disputes.

Schedule 2.1 inserts proposed section 23E into the *Police Regulation (Superannuation) Act 1906*. The proposed section provides expressly for an aggrieved person to dispute a decision made by STC Trustee Corporation under that Act, whether made before or after the commencement of the section, and to have the dispute determined under the *Superannuation Administration Act 1996*. Notice of the decision and the right to dispute it must be provided by STC. Notice of the dispute must be served on STC within 2 years of notification of the right to dispute that decision. The proposed dispute provision does not apply to a decision to which section 21 of that Act applies (which allows for application to the District Court within 6 months of being notified of certain decisions of STC or the Commissioner of Police).

Schedule 2.2, 2.3 and 2.4 insert proposed sections 33B, 54B and 85A into the *State Authorities Non-contributory Superannuation Act 1987*, *State Authorities Superannuation Act 1987* and *Superannuation Act 1916*, respectively. Each proposed section provides expressly for an aggrieved person to dispute a decision made by STC Trustee Corporation under the respective Act, whether made before or after the commencement of the section, and to have the dispute determined under the *Superannuation Administration Act 1996*. Notice of the decision and the right to dispute it must be provided by STC. Notice of the dispute must be served on STC within 2 years of notification of the right to dispute that decision.