

1985

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

THE SENATE

SUPERANNUATION LEGISLATION AMENDMENT BILL 1985

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for
Finance Senator the Hon Peter Walsh)

OUTLINE

This Bill has three purposes:

- . to amend the Superannuation Act 1976 in respect of the structure, responsibilities and operations of the Superannuation Fund Investment Trust.
- . to provide the Commissioner for Superannuation with powers of a Secretary of a Department
- . to amend the Superannuation Acts 1922 and 1976 to permit the Minister for Finance to decide certain matters relating to the recovery from employers of the cost of providing superannuation benefits for their staff.

Changes proposed in respect of the Superannuation Fund Investment Trust are directed at:

- . placing the Trust on a more independent footing with the freedom and flexibility to manage and invest the Superannuation Fund in a commercial manner;
- . enhancing the accountability of the Trust, both to the Parliament and to contributors to the Commonwealth Superannuation Scheme;
- . defining the role, objective and duties of the Trust; and
- . increasing the Trust from three to five members.

FINANCIAL IMPACT

There is no direct financial impact on the Government of amendments proposed in relation to the Trust. The Superannuation Fund is comprised of contributions by eligible employees and does not include employer contributions. Costs of management and administration are borne wholly by the Fund. The Trust will be enabled to invest the Fund on a competitive independent commercial basis in pursuit of improved returns to contributors.

The other amendments proposed will not result in additional expenditure by or revenue to the Government. The changes in the cost recovery arrangements will involve the Commonwealth forgoing some moneys that might legally have been recovered from employers, however, as these employers are all Budget-dependent, any increase in revenue would have to be offset by increased expenditure.

NOTES ON CLAUSES

PART 1 - PRELIMINARY

Clauses 1 and 2

These provide for the short title and the commencement of the legislation. Except for clause 23, provisions of the Bill will come into effect on Royal Assent. Clause 23, which relates to the provisions of the Merit Protection (Australian Government Employees) Act 1984 concerning the establishment, constitution and operations of Promotion Appeal Committees to be established by the Merit Protection and Review Agency, will come into operation at the same time as the relevant provisions of the Merit Protection (Australian Government Employees) Act 1984 come into operation.

PART 11 - AMENDMENTS OF THE SUPERANNUATION ACT 1976

Clause 3: Principal Act

This clause defines the "Principal Act" for the purposes of this Part to be the Superannuation Act 1976.

Clause 4: Interpretation

Clause 4 inserts definitions of a number of words and expressions used for the purposes of the legislation into Section 3(1) of the Principal Act and makes one deletion from that section. Significant amendments are set out below.

Sub-clause 4(a) omits the Chairman of the Trust from the definition of "eligible employee". The effect is to remove the mandatory requirement that the principal member of the Trust (the term principal member replacing the term Chairman - see clause 7) be a contributor to the Commonwealth Superannuation Scheme. A person appointed to the office of principal member, however, may request the Commissioner for Superannuation, under the provisions of section 14 of the Principal Act, that he or she be treated as an "eligible employee" and member of the Scheme.

Sub-clause 4(c) defines the word "invest" so as to include the widest sense of laying out funds for the purpose of earning a present or future financial return.

Sub-clause 4(e) defines the expression "relevant industrial organisation" to include those unions and associations with memberships comprised of, or substantially comprising, eligible employees (ie, contributors to the Commonwealth Superannuation Scheme).

Clause 5: Staff/Commissioner for Superannuation

The clause proposes a new section 26 to provide for the Commissioner for Superannuation to have staff appointed or employed under the Public Service Act. The staff are necessary to assist the Commissioner to perform the functions of the office of Commissioner for Superannuation and any function that the Commissioner has by also being, by virtue of the office, the Chairman of the Defence Force Retirement and Death Benefits Authority.

All the powers of, or exercisable by, a Secretary under the Public Service Act 1922 will be conferred on the Commissioner for Superannuation. Staff are formally transferred from the direction of the Secretary of the Department of Finance to the Commissioner for Superannuation under the transition provisions provided.

The existing section 26, which is to be repealed, deals with the retention of rights under the, now defunct, Officers' Rights Declaration Act 1928 by persons appointed as Commissioner for Superannuation. Preservation of rights is now covered by the Public Service Act 1922.

Clause 6: Objective and duties of the Trust

This clause proposes insertion of a new section 29A into the Principal Act to specify the objective and duties of the Trust.

- Sub-section 29A(1) sets out the objective which enjoins the Trust to manage and invest the Superannuation Fund ("the Fund") so as to maximise the return earned. At the same time the Trust is required to have regard to the need:
 - to make provision for payments out of the Fund under the Act.
 - to ensure equity among eligible employees so that different generations of eligible employees are neither advantaged or disadvantaged by investment decisions.
 - to exercise reasonable care and prudence to maintain the integrity of the Fund. The Trust is required to balance potential return and inherent risk so that the corpus of the Fund is not imprudently or carelessly dissipated.

- . Sub-section 29A(2) sets out the duties of the Trust. The Trust will be required to operate so as to achieve its objective, to establish investment policies and strategies to this end and to provide information on the management and investment of the Fund both to eligible employees and relevant industrial organisations.
- . Sub-section 29A(3) requires the Trust to develop plans and procedures to implement the strategies it has developed for investment of the Fund in accordance with the duty expressed in paragraph (a) of sub-section 29A(2).
- . Sub-section 29A(4) directs the Trust to have regard to the need to protect sensitive information in carrying out its duties to inform eligible employees and relevant industrial organisations about the management and investment of the Fund.
- . Sub-section 29A(5) requires the Trust, in carrying out its duty to inform eligible employees about the management and investment of the Fund, to publish to eligible employees a summary containing relevant information at least once each financial year.
- . Sub-section 29A(6) provides that the Minister may furnish to the Trust (by way of the principal member) a statement of Government policy concerning any matter that is relevant to the performance of the functions of the Trust. The independence of the Trust is preserved by requiring that the Trust consider any policy statement furnished by the Minister, but not requiring that the policy necessarily be observed. Any statement of policy furnished to the Trust by the Minister will be required by sub-section 29A(7) to be laid before each House of the Parliament within 15 sitting days of it being furnished to the principal member.

Clause 7: Membership of the Trust

This clause proposes to amend section 30 of the Principal Act to constitute a Trust of five members instead of the present three.

Paragraph 7(1)(a) establishes a five person Trust consisting of:

- . a full-time principal member nominated by the Minister;
- . a full-time member nominated by the Australian Council of Trade Unions ("the ACTU");

- . two part-time members nominated by the ACTU: and
- . a part-time member nominated by the Minister.

Paragraph 7(1)(b) seeks to omit the present sub-sections 30(3), (4) and (5) of the Principal Act which relate to the appointment of Trust members and insert new sub-sections 30(3) and 30(4). Sub-section 30(3) will require that the Minister consult the ACTU concerning the nomination of a person for appointment as principal member of the Trust. Sub-section 30(4) will bind the ACTU to nominate persons only after consultation with relevant industrial organisations for appointment to the offices of the full-time or part-time Trust members nominated by the ACTU.

Paragraph 7(1)(c) would amend various sub-sections of section 30 in accordance with current drafting requirements.

Sub-clauses 7(2), (3), (4) and (5) are transitional provisions to continue the present members of the Trust in the equivalent offices in the reconstituted Trust until their present appointments expire and to continue in force the delegations made by the present Trust.

Clause 8: Principal and deputy principal members

Clause 8 proposes to insert two new sections in the Principal Act relating to the principal member of the Trust and the appointment of the full-time union-nominated member of the Trust as deputy principal member.

- . Section 30A provides that the principal member of the Trust is the executive member of the Trust, a provision that is presently included in sub-section 30(3) of the Principal Act which is to be omitted by virtue of paragraph (1)(b) of Clause 7. In addition, the section sets out the duties of the principal member, including particular responsibility for the staff of the Trust.
- . Sub-sections 30B(1), (2) and (3) provide that the Minister may appoint the full-time union-nominated member of the Trust as deputy principal member with the duty to act in appropriate circumstances as principal member. The deputy principal member will have all the powers and duties of the office of principal member while acting in that office.

- Sub-sections 30B(4) and (5) provide that the Minister shall not revoke an appointment of the full-time union-nominated member of the Trust as deputy principal member unless the ACTU has consented to the revocation. The ACTU may not consent to revocation of the appointment unless it has first consulted with relevant industrial organisations.
- Sub-sections 30B(6) and (7) prevent the validity of actions by the deputy principal member while acting as principal member and the validity of a revocation of a deputy principal member appointment from being questioned solely on technical grounds.
- Sub-section 30B(8) permits the deputy principal member of the Trust to resign his appointment and ceases that appointment if the person concerned ceases to be the full-time union-nominated member of the Trust.

Clause 9: Certain members not to engage in other work

This clause will amend section 31 of the Principal Act so as to provide that both the principal member and the full-time union-nominated member of the Trust shall not engage in paid employment outside the duties of their offices without the approval of the Minister.

Clause 10: Remuneration and allowances

This clause will amend section 32 of the Principal Act to permit the Remuneration Tribunal to determine remuneration levels for all members of the Trust, or the prescription of such remuneration in cases where no determination of the Remuneration Tribunal is in operation.

Clause 11: Resignation

This clause will amend section 34 of the Principal Act to provide, in conformance with usual practice, that the resignation of a member of the Trust takes effect on delivery of the resignation to the Governor-General.

Clause 12: Disclosure of interests

Sub-clause 12(1) proposes to insert a new section 34A in the Principal Act covering the disclosure of interests to the Trust by Trust members. The existing limited disclosure of interests provision at sub-section 35(3) of the Principal Act is to be omitted by way of paragraph (f) of Clause 13.

- Sub-sections 34A (1), (2) and (3), require Trust members to present to a meeting of the Trust a written statement of all interests that could reasonably be expected to conflict with the duties of their offices.

- . Statements are required to be presented as soon as possible after appointment and the anniversary of appointment but, in any event, not later than 60 days after the relevant date. If a member comes to have or acquires interests not previously disclosed to the Trust, the member will be required to present as soon as possible a statement of those interests to the Trust. Statements of interest are to be incorporated in the minutes of the Trust.
- . Sub-section 34A (4), (5), (6) and (7) require a member of the Trust who has a direct or indirect pecuniary interest in a matter coming before the Trust to disclose that interest to a meeting of the Trust as soon as possible after the facts have come to the member's knowledge. This requirement applies even though the member of the Trust may have previously disclosed the interest to the Trust.
- . The member concerned is not to be present during any deliberation or to take part in any decision on the matter in which the interest exists, unless the Trust, or the Minister, determines otherwise. For this latter purpose, the member is not to be present during the deliberations of the Trust concerning its determination, nor to take part in the making of the determination.

Sub-Clause 12(2) is a transitional provision that requires the existing members of the Trust (whose current appointments are to continue in the equivalent offices in the reconstituted Trust) to also declare all interests to the Trust when section 34A of the Principal Act commences and on the anniversary of their appointments thereafter.

Clause 13: Termination of appointment

This clause proposes to make amendments to section 35 of the Principal Act concerning the grounds for termination of the appointments of Trust members. A new sub-section 35(1) is proposed which expands the existing grounds for termination of appointment to include inefficiency or incompetence. Amendments to sub-section 35(2) and the omission of sub-sections 35(3) and (4) are proposed as a consequence of other proposed amendments. Sub-section 35(5) of the Principal Act is proposed to be omitted because the Act Interpretation Act 1901 now makes general provision for references to persons filling statutory offices to include persons acting in those offices.

Clause 14: Acting appointments

Clause 14 proposes to replace the present section 36 of the Principal Act which relates to the appointment of acting members of the Trust with a new section 36 also concerning the appointment of acting Trust members.

- Sub-section 36(1) provides that the Minister may appoint an acting principal member of the Trust in appropriate circumstances. The person may not act as principal member when the full-time union-nominated member of the Trust has been appointed as deputy principal member and is available to act as principal member.
- Sub-sections 36(2) and (3) provide that the Minister may appoint an acting full-time union-nominated member and acting part-time members of the Trust in appropriate circumstances.
- Sub-sections 36(4) and (5) provide that the Minister shall not appoint persons on an acting basis to the offices of full-time union-nominated member of the Trust or part-time Trust member nominated by the ACTU unless the ACTU has nominated the person. The ACTU is required to consult relevant industrial organisations before nominating a person for an acting appointment.
- Sub-section 36(6) provides that an instrument of acting appointment may specify the circumstances in which the acting appointment is to take effect. By this procedure "standing" acting arrangements can be made, if desired, to provide an immediate replacement for any Trust member and thus minimise any disruption to the functioning of the Trust.
- Sub-section 36(7) provides that an acting Trust member appointed to act in a vacant office on the Trust shall not continue to act for more than 12 months.
- Sub-section 36(8) provides that if an office of Trust member becomes vacant during the currency of an acting appointment to that office, ie the office was not vacant when the acting appointment was made but the actual appointee to the office subsequently vacates it, the acting appointment may be continued for a maximum period of 12 months from the date the office became vacant.
- Sub-section 37(9) provides that a person acting in the office of a member of the Trust has and shall exercise and perform all the powers and duties of that office.

- Sub-section 36(10) provides that the Minister may determine the remuneration of a person appointed as an acting member of the Trust and may terminate the appointment at any time.
- Sub-section 36(11) provides that a person appointed to a Trust office on an acting basis may resign that appointment.
- Sub-section 36(12) provides that the validity of the actions of acting members of the Trust will be free from questioning solely on technical grounds relating to the appointments.

Clause 15: Meetings of the Trust

Paragraphs 15(a), (b) and (c) seek to amend section 37 of the Principal Act to make a number of amendments consequent on other proposed amendments.

Paragraph 15(d) proposes to omit sub-section 37(4) of the Principal Act and to replace it with new sub-sections 37(4) and (4A) providing for the deputy principal member or a member appointed by other Trust members to preside at Trust meetings from which the principal member is absent.

Paragraph 15(e) proposes to establish the quorum of members at Trust meetings as three, ie a majority of the five Trust members.

Paragraph 15(f) seeks to omit sub-section 37(10) of the Principal Act because it is now redundant in the light of the provisions of the Acts Interpretation Act 1901.

Clause 16: Delegation by Trust

This clause proposes to amend section 38 of the Principal Act to permit the Trust to delegate its powers, except the power of delegation, to any member of the Trust.

Clause 17: Delegation by principal member

This clause seeks to repeal the existing section 39 of the Principal Act and replace it by a new section 39 permitting the principal member to delegate his or her powers, except the power of delegation, to any other Trust member. The existing section 39 of the Principal Act applies the Officers Rights Declaration Act 1928 to a person appointed to the office of Chairman of the Trust and is redundant in the light of the present provisions of the Public Service Act 1922.

Clause 18: Fund to be managed by Trust

This clause proposes to amend section 41 of the Principal Act to provide a number of additional powers to the Trust to increase its flexibility in managing and investing the Fund.

Paragraph 18(a) proposes to insert in sub-section 41(2) of the Principal Act two additional paragraphs empowering the Trust to underwrite or sub-underwrite any form of investment and to borrow moneys. Paragraph 18(c) proposes, among other amendments, to include a sub-section 41(6) in the Principal Act to make it clear that the power to underwrite or sub-underwrite operates in relation to the issue of shares, debentures or units in a unit trust. It is proposed to include new sub-sections 41(3) and (4) in the Principal Act also by way of paragraph 18(c) to limit the Trust's borrowings to no more than 10 per cent of the market value of the assets of the Fund and to provide that the Trust may secure borrowings over the assets of the Fund.

Paragraph 18(b) proposes to empower the Trust to engage investment managers in the sense, as defined by the new sub-section 41(7) proposed to be included in the Principal Act by paragraph 18(c), of placing funds with persons for management and investment on behalf of the Trust.

Paragraph 18(c) proposes to also insert new sub-sections 41(5) and 41(8) in the Principal Act. The proposed new sub-section 41(5) will enable the Trust to take any action considered necessary to control, to manage, to enhance or protect the value of any investment and to enhance or protect the return from any investment. This provision will enable the Trust to operate flexibly in a competitive environment in the best interests of eligible employees.

The new sub-section 41(8) will ensure that nothing included in sections 41 or 42 can be taken as detracting from the duties of the Trust proposed for insertion in the Principal Act as section 29A.

Clause 19: Investment of the Fund

Clause 19 seeks to amend section 42 by widening the Trust's powers of investment to the greatest possible extent and omitting sub-section 42(6) of the Principal Act which presently contains definitions of various forms of investment. It also proposes to omit sub-section 42(4) of the Principal Act which requires the Trust to observe in its investment of the Fund an equivalent of the "30/20 rule" which was previously applicable to private sector superannuation funds seeking exemption of investment income from income taxation.

Clause 20: Borrowing

This clause proposes to repeal section 43 of the Principal Act which presently empowers the Minister to lend moneys to the Fund. By paragraph 18(a) a power for the Trust to borrow is proposed to be included in sub-section 42(2) of the Principal Act.

Clause 21: Trust to keep accounts and records in respect of Fund

This clause proposes to amend section 44 of the Principal Act to insert a new sub-section 44(1A) which provides for accounts kept by the Trust in respect of the Fund to be kept consistently with any accounting policies prescribed in regulations under the Principal Act.

Clause 22: Staff

Clause 22 proposes to insert a new Division 3 of Part III of the Principal Act (Sections 44A and 44B) to provide:

- . Power for the Trust to employ its own staff.
- . Arrangements permitting those members of the staff of the Trust not covered by the mobility provisions of Part IV of the Public Service Act 1922 to apply for and be appointed (promoted) to all advertised vacancies in the Australian Public Service ("the APS").
- . Section 44A provides that the Trust may employ such staff as is considered necessary to enable it to carry out its functions and duties and exercise its powers. The terms and conditions of employment of Trust staff are to be determined by the Trust with the approval of the Minister.
- . Section 44B provides for Trust officers and employees to have certain rights of entry to the Australian Public Service.
- . Sub-section 44B(1) provides that a member of the Trust's staff (a "relevant staff member") may apply for appointment to any APS office advertised as vacant in the Commonwealth Gazette. Such relevant staff members will then be subject to normal APS selection procedures.
- . Sub-section 44B(2) empowers the Public Service Board to appoint a relevant staff member, whose appointment is requested by the Secretary of the Department concerned, to a vacant APS office.

Sub-section 44B(3) provides that an appointment by the Public Service Board of a relevant staff member to a vacant APS office is not subject to a probationary period, provided that the relevant staff member has been employed by the Trust for 12 months or more. The relevant staff member will be required to meet the requirements of the Public Service Act 1922 in relation to Australian citizenship, medical examination, and being a fit and proper person for appointment to the APS.

Sub-section 44B(4) provides that the provisions of the Public Service Act 1922 relating to the transfer and promotion of officers other than Senior Executive Service officers generally apply.

- Paragraph 4(a) applies those provisions with the exception of sections 50E, 50EA and 52 of the Public Service Act 1922. The provisions excluded deal respectively with the day on which promotion takes effect, multiple promotions, and declining a promotion or transfer. Subsequent paragraphs incorporate the required portions of the sections of the Public Service Act 1922 not already applied. The appointment of a relevant staff member is deemed to be a promotion made under either section 50DA of the Public Service Act 1922, ie, on the advice of a Joint Selection Committee, or under section 50 of that Act. Promotions under section 50DA are not subject to appeal, while appeals may be made against promotions under section 50.
- By paragraph 4(b)(i)(A) the deemed promotion under section 50 of the Public Service Act 1922 of a relevant staff member takes effect on the prescribed day in circumstances where no appeals have been lodged; or appeals have been lodged but either become inoperative or are disallowed before the prescribed day. For the purposes of the Public Service Act 1922, the prescribed day is 35 days after Gazettal of a promotion.
- Paragraph 4(b)(i)(B) provides that the deemed promotion takes effect on the latest day on which any appeals either become inoperative or are disallowed, when that day is later than the prescribed day.
- Paragraph 4(b)(ii) provides that a deemed promotion made under Section 50DA of the Public Service Act 1922 (which is not appealable) takes effect on the prescribed day.

- By paragraph 4(c) a relevant staff member may decline a deemed promotion which is then taken not to have been made.
 - By paragraph 4(d) an appointment of a relevant staff member to a vacant APS office does not take effect until the deemed promotion takes effect. This provision forestalls any difficulties that could arise from an appointment of a relevant staff member taking effect but the deemed promotion of that relevant staff member being overturned on appeal or being declined.
 - Paragraph 4(e) deems a relevant staff member to be absent on leave without pay until that relevant staff member commences to perform the duties of the office to which he has been appointed. Accordingly, a relevant staff member appointed to the APS will not be eligible to be paid in respect of his new office until actually commencing work in that office.
 - Paragraph 4(f) permits the Public Service Board to cancel the appointment of a relevant staff member if that person does not commence work in the APS within a reasonable time after his or her appointment takes effect. This provision permits a relevant staff member some flexibility in determining the time of commencement in the APS but allows the Public Service Board to take action to cancel the appointment where the relevant staff member does not genuinely wish to take up that appointment.
- Sub-section 44B(5) defines the specific words and expressions used in section 44B as having the same meaning as they do in the Public Service Act 1922. A relevant staff member is defined as being a person not covered by the staff mobility provisions of the Public Service Act 1922.

Clause 23: Trust Officers and employees to have certain rights of entry into the Australian Public Service

This clause will amend section 44B of the Principal Act to apply the provisions of the Merit Protection (Australian Government Employees) Act 1984 when those provisions commence to operate.

Clause 24: Payments to the Commonwealth by authorities in respect of eligible employees

Clause 24 amends section 159 of the Principal Act which imposes on employers, other than the Commonwealth, an obligation to reimburse the Commonwealth for the cost of superannuation benefits paid to their staff under the Principal Act. The intention is that an employer only be required to reimburse the Commonwealth for the employer-financed share of any benefit that accrued in respect of service with the employer.

Sub-clause 24(1) replaces the existing sub-section 159(2) of the Principal Act with new sub-sections (2), (2A), (2B), (2C) and (2D) and inserts a new sub-section (4)

- The new sub-section (2) enables the Minister for Finance to determine the amount of an employer's liability to the Commonwealth.
- The new sub-section (2A) provides that the employer's liability cannot exceed the amount of the superannuation benefit actually paid.
- The new sub-section (2B) enables a determination to have retrospective effect. In the absence of this provision, an employer would be liable to reimburse the Commonwealth for the total benefits paid since 1 July 1976 not just the appropriate employer-financed part.
- The new sub-section (2C) is intended to put beyond doubt that where a person has been employed by two or more employers, the cost of the benefit can be shared between those employers.
- The new sub-section (2D) concerns the timing of payments by an employer to discharge its obligations under section 159. Employers are required to reimburse the Commonwealth as benefits are paid to former employees, but the former sub-section 159(2) enabled an employer to enter into an arrangement with the Minister for Finance to discharge its obligations on an accruing cost basis by a series of payments that are different from, but equivalent to, those otherwise required. Sub-section (2D) remakes that provision but also adds a power for the Minister for Finance to require an employer to enter into such an arrangement. The exercise of this power would be warranted where an employer failed to make proper provision to meet its superannuation obligations.

- The new sub-section (4) provides that the liability of an employer under the section for benefits paid to a former employee could be reduced to nil. This will enable those Budget-dependent employers that were treated as if exempt from any liability accruing prior to 1 July 1981, to be formally relieved of that liability.

Sub-clause 24(2) is a transitional provision enabling arrangements made between the Minister for Finance and an employer under the previous sub-section 159(2) to continue in force after the passage of this Bill.

Clause 25: Annual report of Trust

This clause proposes to amend section 161 of the Principal Act to require the Trust to furnish the Minister with an interim report on its management of the Fund in circumstances where it is unable to furnish its annual report within the required period. The interim report will incorporate interim financial statements in the normal form, but it is proposed that these need not have been subject to audit by the Auditor-General. Copies of the interim report and financial statements are to be made available to the ACTU and, on request, to relevant industrial organisations.

PART III - AMENDMENTS OF THE SUPERANNUATION ACT 1922

Clause 26: Principal Act

This clause defines the "Principal Act" for the purposes of this part to be the Superannuation Act 1976.

Clause 27: Payments to the Commonwealth by approved authorities

Clause 27 repeals and remakes section 145 of the Superannuation Act 1922 which imposes on employers, other than the Commonwealth, an obligation to reimburse the Commonwealth for the cost of superannuation benefits paid to employees who retired before 1 July 1976.

Sub-clause 27(1) inserts the new section 145.

- . Sub-sections (1) and (2) enable the Minister for Finance to determine the amount of an employer's liability to the Commonwealth in respect of benefits payable after 1 July 1976.
- . Sub-section (3) is intended to put beyond doubt that where a person has been employed by two or more employers, the cost of the benefit can be shared between those employers.
- . Sub-section (4) concerns the timing of payments by an employer to discharge its obligations under section 145 and corresponds to the new sub-section 159(2D) inserted in the Superannuation Act 1976 by sub-clause 24(1).
- . Sub-sections (5) and (6) will enable those employers that were treated as if exempt from any obligation to reimburse the Commonwealth for the cost of benefits accrued before 1 July 1981 to be formally relieved of that liability.

Sub-clause 27(2) is a transitional provision enabling arrangements made between the Minister for Finance and an employer under the previous sub-section 145(2) to continue in force after the passage of this Bill.

