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**THE PARLIAMENT OF THE COMMONWEALTH OF
AUSTRALIA**

SENATE

**SUPERANNUATION LEGISLATION (COMMONWEALTH
EMPLOYMENT) REPEAL AND AMENDMENT BILL 1998**

SUPPLEMENTARY EXPLANATORY MEMORANDUM

Amendments to be moved on behalf of the Government

(Circulated by the authority of the Minister for Finance and Administration, the Hon
John J Fahey, MP)

AMENDMENTS OF THE SUPERANNUATION LEGISLATION (COMMONWEALTH EMPLOYMENT) REPEAL AND AMENDMENT BILL 1998

OUTLINE OF AMENDMENTS

Current provisions in the Bill

The *Superannuation Legislation (Commonwealth Employment) Repeal and Amendment Bill 1998* (the Bill) was introduced into Parliament in a package of Bills to make amendments to the various Acts which provide, amongst other things, for superannuation schemes for employees of the Commonwealth and agencies.

The package of Bills included amendments to enable choice of superannuation funds for new Commonwealth employees and for existing Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation Scheme (PSS) members. They provided for the PSS to be closed to new members and for new administration arrangements for the Commonwealth's superannuation schemes for its civilian employees including a new Commonwealth Superannuation Board (the CS Board). The package also provided for the repeal of the various Commonwealth Superannuation Acts with the repealed legislation saved to protect the entitlements of scheme members and beneficiaries.

Also included in the package were amendments to provide a range of enhancements to the superannuation arrangements, further simplification of various aspects of the administration of the CSS and a range of technical and drafting changes. As the major changes included in the package have been set aside for the time being, amendments to the Bill are proposed to oppose the relevant provisions. This will allow the provisions in the Bill dealing with enhancements, simplification and the other technical and drafting matters to be considered separately.

Proposed amendments

The provisions proposed to be omitted from the Bill deal with, or are consequential upon:

- the closure of the PSS to new employees and changes to the future right for former CSS members to return to CSS membership;
- choice of fund for existing CSS and PSS members;
- the amalgamation of the CSS and PSS Boards into the CS Board with a range of new powers including the right to select its own administrator in the future;
- the abolition of the office of the Commissioner for Superannuation; and
- the repeal of various superannuation legislation with savings provisions.

Other provisions that are proposed to be omitted are those which would have

- restricted access to cash lump sums for CSS and PSS members who were retrenched between 1 July 1999 and 30 June 2000 (this is no longer appropriate given the passage of time); and
- ensured the provisions relating to late elections for preservation in the CSS work as intended.

The proposed amendments to the Bill will also:

- make changes to the delegation powers of the CSS and the PSS Boards to assist the Boards in their administration of the CSS and the PSS respectively;
- make some technical amendments to ensure the provisions of the *Superannuation Act 1976*, the *Parliamentary Contributory Superannuation Act 1948* and also the Bill work as intended;
- amend the *Superannuation Act 1976* to ensure that it complies with other legislative changes such as the *Corporations Act 2001*; and
- provide that a number of provisions that had been intended to commence from the date of closure of the PSS, eg, simplification provisions, will commence from 1 July 2002.

Financial Implications

As a result of the proposed amendments the only remaining financial impact of the Bill will be that relating to the changes to post retirement reversionary benefit arrangements.

TERMS USED IN EXPLANATORY NOTES

"1976 Act" means the *Superannuation Act 1976*;

"1990 Act" means the *Superannuation Act 1990*;

"Commissioner" means the Commissioner for Superannuation;

"CS Board" means the Commonwealth Superannuation Board that was proposed by the *Commonwealth Superannuation Board Bill 1998*;

"CSS" means the Commonwealth Superannuation Scheme;

"Parliamentary Contributory Act" means the *Parliamentary Contributory Superannuation Act 1948*;

"PSS" means the Public Sector Superannuation Scheme;

"Repeal and Amendment Bill" means the *Superannuation Legislation (Commonwealth Employment) Repeal and Amendment Bill 1998*;

"SIS" means the *Superannuation Industry (Supervision) Act 1993* including the regulations under that Act.

NOTES ON AMENDMENTS TO THE SUPERANNUATION LEGISLATION (COMMONWEALTH EMPLOYMENT) REPEAL AND AMENDMENT BILL 1998

Amendments 1 to 3 - Commencement

Changes to the commencement provisions are necessary largely because in many cases the commencement date of provisions in the Bill has passed.

2. **Amendment 1** amends clause 2 of the Bill so that it provides that the items in Part 1 of Schedule 1 and Part 1 of Schedule 3 commence from 1 July 2002 instead of 1 July 1999. This amendment is necessary because of the passage of time since the Bill was first introduced. The amendment also removes the commencement provisions that apply to Schedules 6, 7, 8, 10 and 11, which are to be opposed by other amendments.

3. **Amendment 2** corrects a drafting error in the Bill in relation to the commencement of provisions. It also provides that item 35A of Schedule 3, which is to be included by amendment 77, commences from 1 July 1995. Item 35A clarifies a provision of the 1990 Act inserted into the Act on 1 July 1995.

4. **Amendment 3** removes the commencement provisions that apply to Part 5 of Schedule 1 and Schedules 2, 4 and 8 in the Bill that are being opposed.

Amendment 4 – Omission of items

5. **Amendment 4** opposes items 3 to 5 of Schedule 1 which include amendments to the 1976 Act to provide new definitions of Board (the CS Board), Commissioner and CSS Board. Those amendments are not now required as they are consequential on amendments that are being opposed.

Amendment 5 – Definitions

6. Item 7 of Schedule 1 amends the definition of 'eligible employee' (CSS members) in the 1976 Act for two purposes. Firstly it removes the reference to the Commissioner because that office was to be abolished by other provisions in the Bill. It also inserts a new provision intended to simplify the process of providing CSS membership by enabling the Minister to declare a class of persons to be CSS members. This replaces the power under section 14A of the Act to include persons as CSS members by regulation. These changes were made through revising paragraph (g) of the definition which automatically included the Commissioner in the definition.

7. As the provisions dealing with the abolition of the office of Commissioner are to be opposed at this time, **amendment 5** re-instates paragraph (g) in its original form as applying to the Commissioner and inserts new paragraph (ec) into the definition to provide for the new declaration power.

Amendments 6 and 7 – Omission of items

8. **Amendments 6 and 7** oppose items 10, 12 and 13 of Schedule 1 as a consequence of setting aside for the time being other provisions in the Bill that deal with the proposal to allow CSS members to choose to leave the scheme and the creation of a CS Board.

Amendment 8 – Consequential amendment

9. **Amendment 8** makes a technical amendment to item 14 of Schedule 1 as a consequence of the enactment of the *Corporations Act 2001*.

Amendment 9 – Regulations power

10. Proposed new paragraph (ec) of the definition of 'eligible employee' (ie, a CSS member) in the 1976 Act as inserted by amendment 5 gives the Minister a power to declare persons to be members of the CSS. This is intended to consolidate the provisions of the Act dealing with "eligible employees" which are currently dealt with in both the definition and section 14A. Section 14A is to be repealed by item 32 of Schedule 1 of the Bill and item 6 of that Schedule ensures that persons who are eligible employees as a result of section 14A immediately before its repeal continue to be members

11. Section 14A also allows regulations to modify the 1976 Act in relation to persons who were members of the CSS because of the section and amendment 23 inserts subsections 32A(1) and (2) in the Bill to save any modifications made under that section that applied to those persons and to allow those modifications to be amended in the future.

12. **Amendment 9** inserts subsection 3(1AA) into the 1976 Act to allow regulations to be made to modify that Act in relation to persons who become members of the CSS because of paragraph (ec) of the definition of 'eligible employee'.

Amendments 10 to 17 – Change of application date

13. Item 15 of Schedule 1 to the Bill makes certain provisions in relation to declarations made for the purposes of the definition of "eligible employee" in the 1976 Act. The provisions deal with the allowed dates of effect of those declarations and also provide that those declarations are disallowable instruments for the purposes of section 46A of the *Acts Interpretation Act 1901*.

14. Because of the change to the definition being made by amendment 5 it is necessary for all references in item 15 of Schedule 1 to declarations under paragraph (g) of the definition to be changed to references to declarations under paragraph (ec). Also, because of the passage of time since the Bill was first introduced, changes are necessary to update references in relation to allowed dates of effect from 1 July 1999 to 1 July 2002. **Amendments 10 to 17** amend item 15 accordingly.

Amendments 18 and 19 – Omission of items

15. **Amendment 18** opposes provisions in Schedule 1 of the Bill as a consequence of setting aside for the time being the proposal to allow CSS members to choose to leave their scheme.

16. **Amendment 19** opposes item 19 of Schedule 1 of the Bill as a consequence of setting aside for the time being other provisions in the Bill that deal with the proposal to abolish of the office of Commissioner.

Amendment 20 – Change of application date

17. **Amendment 20** amends item 22 of Schedule 1. Item 22 adds subsection (4) and (5) to section 4A of the 1976 Act. New proposed subsection 4A(5) allows an

authority or body to be excluded from the definition of approved authority retrospectively to the commencement date of the revised definition of approved authority if employees of the authority or body have not been treated as CSS members. Amendment 20 ensures that declarations under new subsection 4A(5) cannot be made earlier than 1 July 2002 being the new commencement date for the revised definition of approved authority included in item 18 of Schedule 1.

Amendment 21 – Omission of item

18. **Amendment 21** opposes item 23 of Schedule 1 of the Bill as a consequence of setting aside other provisions in the Bill that deal with the abolition of the office of Commissioner.

Amendment 22 – Omission of items

19. **Amendment 22** opposes items 27 to 31 of Schedule 1 of the Bill as a consequence of setting aside for the time being other provisions in the Bill that deal with the circumstances in which former members may return to the CSS.

Amendment 23 – Saving of modifications

20. Section 14A of the 1976 Act provides for the modification, by regulation, of the 1976 Act in relation to a person to whom the section applies. Item 32 of Schedule 1 repeals the section with effect from 1 July 2002. Item 6 of Schedule 1 amends the definition of “eligible employee” in the Act to ensure persons who were members of the CSS because of the application of section 14A prior to its repeal continue to be members.

21. **Amendment 23** inserts subsections 32A(1) and (2) in the Bill. Proposed new subsection 32A(1) provides that the modifications made under section 14A of that Act continue to apply, despite the repeal of that section, to the persons to whom the modifications applied at the time the section was repealed. Proposed new subsection 32A(2) will allow the modifications saved by subsection 32A(1) to be amended in the future.

Amendment 24 – Omission of items

22. **Amendment 24** opposes items 33 to 49 of Schedule 1 of the Bill as a consequence of setting aside for the time being the proposal to abolish the office of Commissioner. The amendment also opposes items as a consequence of setting aside other provisions in the Bill dealing with the circumstances in which CSS membership can be resumed and the creation of the CS Board.

Amendments 25 and 26 – Change of application date

23. **Amendments 25 and 26** change items 54 and 56 of Schedule 1 of the Bill to update the dates of application of amendments to the 1976 Act to simplify provisions relating to salary updating and leave without pay from after 30 June 1999 to after 30 June 2002. These amendments are necessary because of the passage of time since the Bill was first introduced.

Amendment 27 and 28 - Omission of items and consequential provision

24. **Amendment 27** opposes items 58 to 63 of Schedule 1 to the Bill relating to contributions while on leave without pay. The amendment is proposed as a consequence of setting aside for the time being other provisions in the Bill dealing with closure of the PSS, the restrictions on resumption of CSS membership and the creation of the CS Board with new powers. It was intended that, with the closure of the PSS and the restricted re-entry to the CSS, the CS Board would take over certain discretionary powers that are currently shared between the Minister and the CSS or PSS Boards. Some of those powers have the potential to affect scheme costs and as the PSS and the CSS membership changes and the establishment of the CS Board have been set aside for the time being it is appropriate that those powers not be given instead to the CSS or PSS Board.

25. **Amendment 28** amends item 64 of Schedule 1 as a consequence of amendment 27.

Amendments 29 and 30 - Change of application dates

26. **Amendments 29 and 30** amend item 64 of Schedule 1 to change the dates of application of amendments to the 1976 Act made by items 56 and 57 of Schedule 1, to simplify provisions relating to leave without pay, from 1 July 1999 to 1 July 2002.

Amendment 31 – Omission of item

27. **Amendment 31** opposes an amendment made to the 1976 Act by item 67 of Schedule 1 as a consequence of setting aside for the time being other provisions in the Bill dealing with the abolition of the office of Commissioner.

Amendment 32 - Change of application date

28. **Amendment 32** amends item 69 of Schedule 1 of the Bill to change the date of application of an amendment to the 1976 Act made by item 68 to simplify provisions of that Act relating to salary updating from after 30 June 1999 to after 30 June 2002.

Amendment 33 and 34 – Omission of items

29. **Amendments 33 and 34** oppose items 71 and 75 of Schedule 1 of the Bill that make a number of amendments to the 1976 Act as a consequence of setting aside for the time being other provisions in the Bill dealing with the abolition of the office of Commissioner.

Amendments 35 and 36 - Change of application date

30. **Amendments 35 and 36** amend item 78 of Schedule 1 of the Bill to update the date of application of amendments to the 1976 Act to simplify provisions relating to salary updating from 1 July 1999 to 1 July 2002.

Amendment 37 to 39 – Omission of items

31. **Amendments 37 to 39** oppose items 82, 84 and 88 of Schedule 1 of the Bill respectively as a consequence of setting aside for the time being other provisions in

the Bill dealing with the provision of choice for CSS members and the restriction of re-entry to the scheme.

Amendments 40 and 41 - Change of application date

32. **Amendments 40 and 41** amend item 89 of Schedule 1 of the Bill to change the application of new provisions in the 1976 Act which will give members the option of transferring additional superannuation amounts into the CSS from after 30 June 1999 to after 30 June 2002. This change is necessary because of the passage of time since the Bill was first introduced.

Amendments 42 to 44 – Consequential amendments

33. **Amendments 42 to 44** amend section 130A as inserted by item 89 of Schedule 1 of the Bills as a consequence of amendment 39, which opposes amendments to subsection 127(1) of the 1976 Act included in item 88 of Schedule 1.

34. Section 130A provides that CSS members may choose to transfer certain amounts into the CSS Fund that will be treated as accumulation amounts in the Fund. Section 130A was originally included largely as a substitute to current arrangements where some CSS members can pay a transfer value from another superannuation scheme to the CSS in exchange for a credit of CSS membership. As re-entry to the CSS was to be further restricted by the Bill the right to pay a transfer value to the CSS was also to be further restricted. That change to the transfer value provisions is opposed by item 39 and requires consequential amendments to section 130A.

35. The cumulative effect of amendments 39 to 44 will be that CSS members will have a wider range of options to pay additional amounts to the CSS.

Amendment 45 - Change of application date

36. **Amendments 45** amends item 91 of Schedule 1 to the Bill to change the date of application of amendments to the 1976 Act to simplify provisions relating to eligible superannuation schemes from after 30 June 1999 to after 30 June 2002.

Amendments 46 to 48 - Omission of items

37. **Amendments 46 to 48** oppose items 94, 95, 98 to 101 and 106 to 117 of Schedule 1 of the Bill largely as a consequence of setting aside for the time being other provisions in the Bill dealing with the abolition of the office of Commissioner. The exception is item 106, which is opposed as a consequence of the setting aside for the time being the proposal to establish the CS Board.

Amendment 49 – Regulations

38. Subsection 168(15) of the 1976 Act currently allows regulations made under section 14A to modify the Act, in relation to persons who are CSS members because of that section, to be made with retrospective effect in certain circumstances. New subsection 3(1AA) as inserted by amendment 9 will allow similar regulations to be made in respect of persons who are CSS members because of paragraph (ec) of the definition of 'eligible employee' which effectively replaces section 14A.

Amendment 49 amends subsection 168(15) to allow retrospective regulations to be made under subsection 3(1AA) in similar circumstances to those currently allowed by subsection 168(15) in relation to regulations under section 14A.

Amendment 50 - Omission of items

39. **Amendment 50** opposes items 118 and 119 of Schedule 1 to the Bill as a consequence of setting aside for the time being other provisions in the Bill dealing with the abolition of the office of Commissioner.

Amendments 51 to 55 – Transfer of assets and liabilities

40. Subsections 248 and 249 of the 1976 Act allow the CSS Board and the Minister to agree on financial matters relating to the transfer of assets and liabilities from the CSS Fund to the PSS Fund for CSS members who transfer to the PSS. Item 122 proposed amendments to those provisions to allow the new CS Board to deal with those matters without reference to the Minister. **Amendments 51 to 55** amend item 122 as a consequence of setting aside for the time being other provisions in the Bill dealing with the creation of the Board. However, the amended provision will transfer those powers to the CSS Board. This is appropriate as the Board has responsibility for the management and investment of the CSS Fund.

Amendments 56 to 57 - Omission of items

41. **Amendment 56** opposes items 123 and 124 of Schedule 1 of the Bill as a consequence of setting aside for the time being other provisions in the Bill dealing with choice of fund for CSS members. **Amendment 57** opposes Part 5 of Schedule 1 which deals with amendments intended to restore the original intention of the 1976 Act in relation to late elections for preservation.

Amendment 58 and 59 – Delegations by the CSS Board

42. Section 27Q of the 1976 Act provides for the CSS Board to be able to delegate its powers to certain persons. Item 243 amends that provision in relation to Reconsideration Advisory Committees. **Amendment 58** omits that amendment as a consequence of amendment 60.

43. **Amendment 59** repeals and replaces section 27Q to extend the classes of persons to whom the Board may delegate its powers, including to a Reconsideration Advisory Committee. The new provision also allows a person to whom the Board has delegated its power to sub delegate that power to one of the other persons to whom the power may be delegated.

44. Provisions of the *Acts Interpretation Act 1901* will apply to the sub delegation as if it were a delegation.

Amendment 60 – Availability of cash lump sums on retrenchment - CSS

45. **Amendment 60** opposes items 249 and 250 of Schedule 1. Those items were intended to amend the 1976 Act to bring forward the date of restriction on the availability of cash lump sums on retrenchment from 1 July 2000 to 1 July 1999. As that date is now past the amendments are no longer required.

Amendments 61 to 63 – Actuarial advice

46. **Amendments 61 to 63** insert new items 250A to 250E in Schedule 1 to the Bill to amend various sections of the 1976 Act to allow the CSS Board to seek advice from a range of actuaries.

Amendment 64 – Benefits on ceasing to be a CSS member because of sale or outsourcing

47. Item 251 of Schedule 1 to the Bill inserts new Part VID into the 1976 Act to provide for benefits where a person ceases to be a CSS member because of the sale of an asset or the transfer of a function (outsourcing).

48. Subsection 110TV(3) in Part VID provides that a person must choose between two benefit options, either to roll over the full amount of their benefit to another scheme for preservation (subsection (4)) or to take the available amount in cash and rollover the rest of the benefit for preservation (subsection (5)).

49. **Amendment 64** inserts new subsection (5A) to provide that, if the person does not make a choice under subsection (3), the default option is that provided for under subsection (5).

Amendment 65 – Judgment orders

50. **Amendment 65** amends item 253 of Schedule 1 of the Bill as a consequence of amendments made to section 119 of the 1976 Act by the *Financial Sector Reform (Consequential Amendments) Act 1998*.

Amendments 66 and 67 – Payments by employers

51. Section 159 of the 1976 Act provides for employers to make payments to the Commonwealth in respect of future benefit payments for their employees that are CSS members. Section 160 of the Act provides for employers to make payments towards the cost of the administration of the scheme in relation to their employees that are CSS members.

52. **Amendments 66 and 67** ensure that sections 159 and 160 of the 1976 Act can apply to employers whose employees are members of the CSS because of the operation of new paragraph (ec) of the definition of ‘eligible employee’ as inserted by amendment 5.

Amendments 68 to 70 – Technical Amendments

53. **Amendments 68 to 70** make a number of minor technical amendments to ensure item 267 of Schedule 1 works correctly.

Amendment 71 - Omission of schedule

54. **Amendment 71** opposes Schedule 2 as a consequence of setting aside for the time being the proposals to establish the CS Board with new responsibilities, including for the maintenance of the repealed but saved *Superannuation Act 1976*.

Amendment 72 - Omission of items

55. **Amendment 72** opposes items 2 to 8 of Schedule 3 to the Bill, which propose a number of amendments to the 1990 Act, as a consequence of setting aside for the time being the proposals to establish the CS Board and abolish the office of Commissioner.

Amendment 73 – Consequential Amendment

56. **Amendment 73** makes a technical amendment to item 9 of Schedule 3 of the Bill as a consequence of the enactment of the *Corporations Act 2001*.

Amendment 74 - Omission of items

57. **Amendment 74** opposes items 11 to 25 of Schedule 3 of the Bill as a consequence of setting aside for the time being the proposals to close the PSS, give PSS members choice of fund, establish the CS Board, and abolish the office of Commissioner.

Amendment 75 – Change of application date

58. **Amendment 75** amends item 29 of Schedule 3. Item 29 adds subsections (3A) and (3B) to section 45 of the 1990 Act. New proposed subsection 45(3B) allows an authority or body to be excluded from the definition of approved authority retrospectively to the commencement date of the revised definition of approved authority if employees of the authority or body have not been treated as CSS members. Amendment 76 ensures that declarations under new subsection 45(3B) cannot be made earlier than 1 July 2002 being the new commencement date for the revised definition of approved authority included in item 10 of Schedule 3.

Amendment 76 - Omission of item

59. **Amendment 76** opposes item 30 of Schedule 3 to the Bill as a consequence of setting aside for the time being the proposal to establish the CS Board.

Amendment 77 – SIS compliance

60. Section 43 of the 1990 Act provides indemnification of PSS Board members from the PSS Fund. **Amendment 77** amends that provision to ensure that Board members may only be indemnified in circumstances permitted under SIS. Amendment 2 will provide that this provision takes effect from 1 July 1995 when the PSS first became a regulated superannuation fund under SIS.

Amendment 78 – Delegations by the PSS Board

61. Section 28A of the 1990 Act provides for the PSS Board to be able to delegate its power to certain persons. **Amendment 78** repeals and replaces section 28A to extend the classes of persons to whom the Board may delegate its powers. The new provision also allows a person to whom the Board has delegated its power to sub delegate that power to one of the other persons to whom the power may be delegated.

62. Provisions of the *Acts Interpretation Act 1901* will apply to the sub delegation as if it were a delegation.

Amendment 79 - Omission of schedule

63. **Amendment 79** opposes Schedule 4 to the Bill as a consequence of the setting aside for the time being the proposal to establish the CS Board with new responsibilities, including for the maintenance of the repealed but saved *Superannuation Act 1990*.

Amendments 80 to 94 – Availability of cash lump sums on retrenchment – PSS

64. Schedule 5 to the Bill makes a number of amendments to the Rules for the Administration of the Public Sector Superannuation Scheme contained in the Schedule to the Trust Deed (within the meaning of the 1990 Act). The amendments provide for the benefits available on retrenchment generally, and on retrenchment or resignation in the circumstances of the sale of an asset or the transfer or outsourcing of a function.

65. The amendments in the schedule were originally drafted to provide, among other things, for the availability of cash lump sums on retrenchment to be restricted from 1 July 1999 rather than 1 July 2000 as the PSS Rules currently provide.

66. **Amendments 80 to 94** amend Schedule 5 to retain the existing restriction in the PSS Rules on cash lump sums on retrenchment from 1 July 2000.

Amendments 95 to 100 - Omission of schedules

67. **Amendments 95 to 100** oppose Schedules 6 to 11 to the Bill as a consequence of setting aside for the time being the proposals to have Commonwealth employers provide choice of fund for employees and to establish the CS Board with new responsibilities, including for the maintenance of the repealed but saved superannuation legislation.

Amendments 101 to 103 – Actuarial advice

68. **Amendments 101 to 103** amend item 4 of Schedule 12, which amends the Parliamentary Contributory Act, and insert two new items in that Schedule to allow the Parliamentary Retiring Allowances Trust to consult with any actuary in relation to a number of matters.

Amendments 104 to 108 – Technical corrections

69. **Amendments 104 to 108** make technical corrections to items 9, 10 and 12 of Schedule 12 which make various amendments to section 21AA of the Parliamentary Contributory Act. Section 21AA of that Act is intended to enable the Parliamentary Retiring Allowances Trust to apportion benefits on a needs basis where there is more than one reversionary beneficiary. Items 9 to 12 of Schedule 12 to the Bill correct a drafting error affecting the intended application of section 21AA.

70. **Amendments 104 to 108** amend items 9, 10 and 12 as a consequence of amendments made to section 21AA by the *Superannuation Legislation Amendment (Post-retirement Commutations) Act 2001*. These revised amendments maintain the character of the original amendments to section 21AA in the Bill.

Amendment 109 – Actuarial advice

71. **Amendment 109** inserts a new amendment to the Parliamentary Contributory Act in Schedule 12 to allow the Parliamentary Retiring Allowances Trust to consult with any actuary in relation to certain matters.

Amendment 110 – Payment of unclaimed preserved benefits

72. Section 26B of the Parliamentary Contributory Act provides, amongst other things, for the payment of unclaimed preserved benefits to an approved deposit fund (ADF) nominated by the Parliamentary Retiring Allowances Trust. SIS allows these benefits to be paid to ADFs provided they are also eligible rollover funds (ERFs).

However, there are currently no ADFs that are also ERFs. Accordingly, **amendment 110** amends section 26B to allow the Trust to nominate an ERF for the payment of these unclaimed preserved benefits and inserts a definition of "eligible rollover fund".