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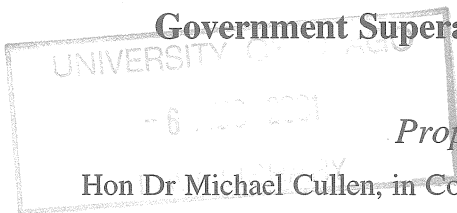
No 166

# House of Representatives

## Supplementary Order Paper

Tuesday, 31 July 2001

### Government Superannuation Fund Amendment Bill



#### *Proposed amendments*

Hon Dr Michael Cullen, in Committee, to move the following amendments:

#### *Clause 2(1)*

To omit the words "**Sections 29** (power of Minister to enter agreements) and **38** (amendment to National Provident Fund Restructuring Act 1990)" (lines 8 to 10 on page 2), and substitute the words "**Sections 29** (Minister may enter transitional agreements) and **38** (amendments to National Provident Fund Restructuring Act 1990)".

#### *Clause 7: new section 14A(6)(c)*

To omit the word "board" (line 22 on page 9), and substitute the words "governing body".

#### *Clause 10*

To add, as subclause (2), the following subclause (after line 18 on page 21):

- (2) Section 28 of the principal Act is amended by repealing subsections (3) and (4), and substituting the following subsection:
  - "(4) The contributor ceases to be a contributor to the Fund on the expiration of the day on which the notice is received by the Authority, and, if the contributor elected to take a refund, that refund must be paid pursuant to the election as soon as practicable after that."

#### *Clause 14*

To add, as subclause (2), the following subclause (after line 33 on page 22):

- (2) Section 61R of the principal Act is amended by repealing subsections (3) and (4), and substituting the following subsection:
  - "(4) The contributor ceases to be a contributor to the Fund on the expiration of the day on which the notice is received by the

Authority, and, if the contributor elected to take a refund, that refund must be paid pursuant to the election as soon as practicable after that.”

*Clause 16A*

To omit this clause (lines 12 to 18 on page 24).

*Clause 27(a)*

To omit the words “or as otherwise making” (line 31 on page 29), and substitute the words “or otherwise makes”.

*Clause 38(3)*

To insert in *new clause 6(1) of the Fourth Schedule* of the National Provident Fund Restructuring Act 1990, after the word “managers” (line 1 on page 36), the words “, administration managers,”.

*Schedule 1: new Schedule 4: new clause 19(c)*

To insert, after the word “transaction” (line 18 on page 45), the words “(other than a subsidiary of the Authority or a company referred to in **section 14A(6)**)”.

*Schedule 1: new Schedule 4: new clause 32(4)*

To omit the words “elected person” (line 8 on page 50), and substitute the words “appointed person”.

*Schedule 1: new Schedule 4: new clause 38(2)*

To omit the words “**clauses 22 or 23**” (line 4 on page 52), and substitute the words “**clauses 22 and 23**”.

*Schedule 1: new Schedule 4: new clause 43(5)*

To add the words “with all necessary modifications” (line 3 on page 54).

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## Explanatory note

This SOP has 4 principal effects—

- it proposes the deletion of *clause 16A* (which may have required a person to supply medical evidence as to their health if they wished to surrender a part of their retiring allowance to another person):
- it aligns the sub-delegation powers of the Board of Trustees of the National Provident Fund in respect of administration managers with that Board’s sub-delegation powers in respect of investment managers and custodians (*clause 38*):
- it makes a small adjustment to the conflict of interest rules for members of the Authority (*schedule 4: new clause 19(c)*). As the Bill is currently drafted, members of the Authority are considered to be interested in transactions, for the purposes of the conflict of interest rules, if the member is also a director, officer, member, or trustee of another party to, or is a person who will or may derive a material financial benefit from, the transaction. The SOP excludes from this rule persons who are directors, officers, members, or trustees of subsidiaries of the Authority or certain companies that may provide services to the Authority (such as joint venture companies):

- it also tidies up various other drafting matters, which are of no significance.
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