

HOUSE OF REPRESENTATIVES

Supplementary Order Paper

Thursday, 31 October 1991

NATIONAL PROVIDENT FUND RESTRUCTURING AMENDMENT BILL

Proposed Amendments

Hon. MAURICE MCTIGUE, in Committee, to move the following amendments:

Clause 1: To omit from *subclause (2)* the expression “**subsection (3)**”, and substitute the expression “**subsections (3) and (4)**”.

To omit *subclause (3)*, and substitute the following subclauses:

(3) **Sections 3 (2), 4, 7, 8, and 9A** of this Act shall be deemed to have come into force on the 7th day of September 1990.

(4) **Sections 2A, 2B, 6 (1), and 10** of this Act shall be deemed to have come into force on the 1st day of April 1991.

Clause 6: To insert, as **subclause (1A)**, the following subclause:

(1A) **Subsection (2)** of **section 53** of the principal Act (as substituted by **subsection (1)** of this section) shall apply in relation to an old public scheme only until a trust deed is executed for that scheme.

EXPLANATORY NOTE

The amendment to *clause 1* alters the commencement date of a number of provisions of the Bill.

It is proposed that *clauses 3 (2), 4, 7, 8, and 9A* be deemed to have come into force on 7 September 1990 which was the date of enactment of the principal Act and the date on which the provisions which they respectively amend came into force.

With the exception of *clause 9A*, these clauses relate to the conflict in the principal Act between the duty imposed on the Board as trustee of the existing schemes and the obligation to invest only in the global asset trust.

Clause 9A omits the reference to the Licensing Trusts Retirement Fund from the list of existing superannuation schemes in the First Schedule to the principal Act.

It is proposed that *clauses 2A, 2B, and 10* be deemed to have come into force on 1 April 1991 which was the date on which the restructuring of the National Provident Fund took effect.

Clause 2A authorises the National Provident Fund Board to carry on business through a wholly owned subsidiary company.

Clause 2B amends section 35 (2) of the principal Act and is consequential on the amendments to section 188 of the Income Tax Act 1976 made by the Income Tax Amendment Act (No. 3) 1991.

Clause 10 provides for the remuneration of members of the Board, officers of the Board, and members of any committee of the Board to be paid out of the assets of the global asset trust or the assets of the existing schemes.

The amendment to *clause 6* relates to the requirement for the Board to execute trust deeds for the old public schemes. The effect of the amendment is that the new *section 53 (2)* will only apply until new trust deeds are executed for those schemes.