

# **SUPERANNUATION (STATE PUBLIC SECTOR) AMENDMENT (No. 2) BILL**

## **EXPLANATORY NOTES**

### **GENERAL OUTLINE**

#### **Short Title**

The Act will be known as the *Superannuation (State Public Sector) Amendment (No. 2) Act 1999*.

#### **Objectives of the Legislation**

The Bill will provide for the amendment of the *Superannuation (State Public Sector) Act 1990* (Superannuation Act) to allow the existing employees of the South East Queensland Water Board (SEQWB) to retain their membership of the State Public Sector Superannuation Scheme (QSuper) upon the transfer of SEQWB and the creation of the South East Queensland Water Corporation Limited (SEQWCo).

#### **Reasons for the Bill**

The *South East Queensland Water Board (Reform Facilitation) Act 1999* (Reform Act) was enacted on 17 September 1999. The Reform Act sets out provisions that facilitate the transfer by SEQWB of its undertaking to a joint State/local Government owned company, provided that the officers and employees of SEQWB will be offered employment with the company as part of the transfer, on their existing or equivalent terms and conditions of employment. The amendments to the Superannuation Act will permit existing SEQWB employees to continue their membership of QSuper upon the transfer of SEQWB.

### **Way in which policy objective is to be achieved**

The Bill provides for SEQWCo to be declared a unit of the State public sector (however, this declaration operates only for the purpose of the Superannuation Act and must not be taken to indicate that SEQWCo has the status of a public sector entity for the purpose of any other Act); and restricts membership to employees of SEQWCo who prior to the transfer were employed by SEQWB and were members of QSuper.

The declaration of SEQWCo as a unit of the State public sector for the purposes of superannuation is not intended to infer that this declaration has effect for any other purpose (for example such as industrial relations legislation).

### **Alternative ways of achieving objective**

The Bill in no way requires SEQWB employees to continue their membership of QSuper. Rather, employees will have a choice as to their superannuation scheme membership.

### **Administrative Cost to Government of Implementation**

It is not envisaged that the amendment to the Superannuation Act to allow continued membership of QSuper for existing SEQWB employees upon the transfer of SEQWB will have a cost impact on the schemes.

### **Consistency with Fundamental Legislative Principles**

The Bill complies with fundamental legislative principles set out in section 4 of *the Legislative Standards Act 1992*.

### **Consultation**

Consultation has occurred with interested stakeholders including staff and unions, SEQWB and SEQWCo.

## NOTES ON PROVISIONS

### Short Title

*Clause 1* specifies the short title of the Act.

### Act Amended

*Clause 2* provides for the amendment of the *Superannuation (State Public Sector) Act 1990*.

### Insertion of new pt 6

*Clause 3* inserts a new Part into the Act in order to allow the existing employees or officers of the South East Queensland Water Board (SEQWB) to retain their membership of the State Public Sector Superannuation Scheme (QSuper) upon the transfer of SEQWB and the creation of South East Queensland Water Corporation Limited (SEQWCo).

## **PART 6—TRANSITIONAL PROVISION FOR SOUTH EAST QUEENSLAND WATER BOARD (REFORM FACILITATION) ACT 1999**

### **SEQWCo may be declared to be a unit of the State public sector**

*Clause 33* amends the *Superannuation (State Public Sector) Act 1990* to provide for SEQWCo to be declared a unit of the State public sector; and to restrict membership to employees of SEQWCo who prior to the transfer were employed by SEQWB and were members of QSuper. The Clause also provides that the declaration of SEQWCo as a unit of the State public sector operates only for the purposes of this Act, that is for the purposes of superannuation, and is not intended to infer that this declaration has effect for any other purpose (for example such as industrial relations legislation).