

Part E – SAS Trustee Corporation Statutory Information

SAS Trustee Corporation Statutory Information

The following information is provided in accordance with the *Annual Reports (Statutory Bodies) Regulation 2000*.

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Note: The SAS Trustee Corporation has been granted an exemption by the New South Wales Treasury Corporation from including an outline budget for the following year.

Board membership and frequency of meetings

The Board of the Trustee Corporation consists of a chairperson, four employer representatives and four employee representatives (nominated by the Unions NSW). All Board members are appointed by the Minister on a part-time basis except for one employee representative who is full-time.

Board membership and the current term of appointment for each member are listed in the table below.

The Trustee Board generally meets on a monthly basis and ten ordinary meetings were held during the period from 1 July 2004 to 30 June 2005.

In line with the requirements of the *Annual Reports (Statutory Bodies) Act 1984*, Board meeting attendance is notified below. Although membership of the Investment Committee constitutes the full Board, attendance at the Investment Committee meetings is reported separately on page 87.

	Appointed	Termination date	Meetings attended	Possible attendance
Chairperson				
Mr M Cole	1 April 2000	31 Mar 2006	10	10
Employer Representatives				
Mr I Blair	1 Sept 1998	31 Jan 2006	9	10
Mr P Scully	1 Feb 2004	31 Jan 2006	9	10
Ms O Sananikone	1 Feb 2004	31 Jan 2006	8	10
Mr M Lambert	1 Feb 2004	31 Jan 2006	5	10
Employee Representatives				
Mr R Davis	1 July 1996	31 Dec 2005	9	10
Mr R Harty	1 Jan 2002	31 Aug 2006	10	10
Ms M O'Halloran	1 Sept 2002	31 Aug 2006	9	10
Mr N Lewocki	1 Sept 1998	31 Aug 2006	10	10

The Trustee Board Committees

The Committees and details of their functions and membership at 30 June 2005 are:

Actuarial Committee

Members Messrs Scully (chairperson), Davis and Lambert; Mr Cole is ex officio member; also attended by officers of the Trustee Corporation and the Scheme Actuary.

Purpose To issue tasks and projects to the Scheme Actuary and monitor their progress; monitor the progress of the triennial review of the Pooled Fund; appoint a Scheme Actuary (when necessary); monitor the performance of the Scheme Actuary against their contractual requirements; monitor the compliance of the administrator in relation to actuarial requirements; monitor any asset/liability matching issues that might affect the Fund's investment strategies; and identify any special projects that may require actuarial investigation and direct those projects as required.

Administration Committee*

Members Messrs Harty (chairperson), Davis and Lambert and Ms Sananikone; Mr Cole is ex officio member; also attended by officers of the Trustee Corporation and the administrator.

Purpose To review, monitor and make recommendations on the performance of the Administrator, administration issues affecting the Fund, and policy issues; review the communications strategy for the Fund to ensure member understanding of the Schemes; review Fund communications publications including disclosure documentation, annual reports and other statutory reports; and review and monitor member statistics, including complaints.

**The Administration Committee now operates on an ad hoc basis and will be discontinued upon completion of the administration contract negotiations. The functions of the Committee have been absorbed by the Board.*

Audit and Compliance Committee

Members Messrs Blair (chairperson) and Davis and Mses Sananikone and O'Halloran; Mr Cole is ex officio member; also attended by officers of the Trustee Corporation, Audit Office of New South Wales and the Administrator.

Purpose To monitor and recommend ways of improving the effectiveness of STC's risk management and compliance system and ensure this is well documented; assist the Board in promoting a culture of compliance within STC; determine the timetable for the completion of the annual statutory accounts of STC and the Pooled Fund; review and report on the annual statutory accounts and management accounts; ensure that the external auditor is invited to attend each meeting and has the opportunity to address the Committee in camera; review the fees, effectiveness and independence of the external auditor and investigate any disputes between STC management and the external auditor; review and report on the scope of the audit functions performed for the Administrator and Custodian; review industry accounting changes; monitor and report annually on internal management processes of STC and service providers, statutory compliance issues, third party contractual compliance issues, 'best practice' standards as determined by the relevant industry bodies and the risk management policies and processes of STC.

Disputes Committee

Members Messrs Lewocki (chairperson), Davis, Scully and Blair; Mr Cole is ex officio member; also attended by officers of the Trustee Corporation.

Purpose To consider and make recommendations on disputes received from persons under section 67 of the *Superannuation Administration Act 1996* (the Act); monitor and authorise settlement of appeals under s85 of the Act and report to the Board; monitor death and disability benefit decisions made by the administrator; and appoint and review medical consultants.

The Trustee Board Committees continued

Investment Committee**

Members Messrs Cole (chairperson), Blair, Davis, Harty, Lewocki, Lambert and Scully and Mses O'Halloran and Sananikone also attended by officers of the Trustee Corporation and investment advisers and managers.

Purpose To review investment portfolio objectives and strategies of the Fund, the asset allocation for each investment strategy and appoint, review the performance of and terminate the Fund's asset consultant, investment managers and custodian (when necessary); review the Fund's investment portfolio results, monitor the reporting arrangements of investment managers and monitor and deal with breaches of investment mandates; and monitor investment governance issues.

*** The Investment Committee was discontinued in January 2005 as the functions of the Committee were absorbed by the Board.*

Remuneration Committee

Members Messrs Cole (chairperson), Blair and Harty also attended, by invitation, by the Chief Executive Officer of the Trustee Corporation.

Purpose To review the salary structure of the Executive of the Trustee Corporation; to determine the salary structure of the contract staff and the Chief Executive having regard to appropriate benchmarks; and review the performance of the Chief Executive Officer.

Statutory Committee – Police Superannuation Advisory Committee

The Committee is a statutory committee established under Part 2A of the *Police Regulation (Superannuation) Act 1906* to exercise certain powers delegated by the Trustee Corporation.

Members Mr Davis as nominee of the Trustee Corporation.

Other members are the chairperson appointed by the Minister, three nominees of the Police Association of New South Wales, a nominee of the Commissioned Officers' Branch of the Police Association of New South Wales, a nominee of WorkCover NSW and a nominee of the Minister for Police.

Purpose To determine invalidity benefit entitlements in the Police Superannuation Scheme and to advise the Trustee Corporation on such matters relating to the *Police Regulation (Superannuation) Act 1906*.

Board Member attendance at STC Committee meetings

	Meetings Attended	Possible Attendance
Actuarial Committee		
P Scully	2	2
R Davis	2	2
M Lambert	2	2
M Cole (<i>ex officio</i>)	2	2
Administration Committee		
R Harty	5	5
R Davis	5	5
M Lambert	3	4
O Sananikone	4	4
M Cole (<i>ex officio</i>)	3	3
P Scully (<i>as an alternate for O Sananikone and M Lambert</i>)	2	2
Audit and Compliance Committee		
I Blair	4	4
R Davis	4	4
O Sananikone	4	4
M O'Halloran	2	4
M Cole (<i>ex officio</i>)	3	3
Disputes Committee		
N Lewocki	7	7
R Davis	7	7
P Scully	7	7
I Blair	4	7
Investment Committee		
M Cole	2	2
I Blair	2	2
R Davis	2	2
R Harty	1	2
N Lewocki	-	2
M Lambert	2	2
P Scully	2	2
M O'Halloran	2	2
O Sananikone	2	2
Remuneration Committee		
M Cole	2	2
I Blair	2	2
R Harty	2	2
Police Superannuation Advisory Committee		
R Davis	10	12

Consumer response — disputes and appeals

The superannuation schemes administered by the Trustee Corporation provide a two stage system of review of a decision made by the delegate of the Trustee Corporation that is not in favour of the member. Firstly, determination of a dispute by a committee of the Trustee Corporation (the STC Disputes Committee) and, secondly, appeal to the Industrial Relations Commission in Court Session (IRC).

At 30 June 2004, 37 disputes were current. During the year ending 30 June 2005, the Trustee Corporation received 73 new disputes and 78 disputes were concluded (including disputes carried over from the previous year). Of those disputes:

- 26 were determined in favour of the disputant;
- 22 were determined against the disputant; and
- 30 were withdrawn.

At the end of the reporting year, 32 disputes were current.

Appeals to the IRC from the STC Disputes Committee determinations resulted as follows:

- 1 was decided in favour of the appellant;
- 0 were decided against the appellant;
- 0 were settled; and
- 3 were withdrawn or discontinued.

At the end of the reporting year, 4 appeals remained to be concluded.

The Police Superannuation Scheme provides for appeals to the District Court of NSW from decisions of the Police Superannuation Advisory Committee, as delegate of the Trustee Corporation. These relate to lump sum payments for duty-related permanent impairments and pension increases. During the financial year 2004–05, these appeals resulted as follows:

- 3 were decided against the appellant,
- 9 were decided in favour of the appellant,
- 19 were withdrawn or discontinued, and
- 36 were settled.

At the end of the reporting year, 67 appeals remained to be concluded.

2004–05 legislation changes

Schemes:

SASS — State Authorities Superannuation Scheme

SSS — State Superannuation Scheme

PSS — Police Superannuation Scheme

SANCS — State Authorities Non-contributory Superannuation Scheme (Basic Benefit)

Notes:

- 1) where there are multiple new or amended provisions the section(s) listed is the major or 'primary' provision affected;
- 2) legislation (chiefly Orders and Regulations) that amends the various schedules listing participating scheme employers are not shown in this schedule; nor are any minor technical changes made by way of statute law revision.

Effective Date	Scheme	Principal Act or Regulation	Amending Act or Regulation	Section	Description
1.10.04	SASS	<i>State Authorities Superannuation Regulation 2000</i>	<i>State Authorities Superannuation Amendment (Surcharge Deduction Amount) Regulation 2004</i>	Cl. 15AC	Surcharge Cap Reductions The regulations provide for reductions to the surcharge cap amount, in line with the phased reductions in the maximum surcharge tax rate provided for in Commonwealth legislation.
	SSS	<i>Superannuation Regulation 2001</i>	<i>Superannuation Amendment (Surcharge Deduction Amount) Regulation 2004</i>	Cl. 12	
	PSS	<i>Police Superannuation Regulation 2000</i>	<i>Police Superannuation Amendment (Surcharge Deduction Amount) Regulation 2004</i>	Cl. 22C	
8.7.05	SANCS	<i>State Authorities Non-contributory Superannuation Act 1987</i>	<i>Superannuation Legislation Amendment Act 2005</i>	4A	Superable salary of senior executive officers The various Acts have been amended to explicitly exclude employer superannuation contributions made under the SANCS Act from being counted toward the superable salary of a senior executive officer.
	SASS	<i>State Authorities Superannuation Act 1987</i>		4A	
	SSS	<i>Superannuation Act 1916</i>		3AA	
	PSS	<i>Police Regulation (Superannuation) Act 1906</i>		1AA/2B	

2004–05 legislation changes continued

Effective Date	Scheme	Principal Act or Regulation	Amending Act or Regulation	Section	Description
8.7.05	PSS	<i>Police Regulation (Superannuation) Act 1906</i>	<i>Superannuation Legislation Amendment Act 2005</i>	12D	Hurt on duty gratuities Amendments clarify that a gratuity in respect of loss of limbs, medical expenses etc. may only be paid if the injury for which the gratuity is claimed is the same as that for which a hurt on duty allowance is already being paid or, in any other case, where the Commissioner of Police decides that the injury was caused by the member having been hurt on duty.
8.7.05	SANCS	<i>State Authorities Non-contributory Superannuation Act 1987</i>	<i>Superannuation Legislation Amendment Act 2005</i>	Sect. 3	Acceptance of Government Co-contributions New provisions facilitate the acceptance into SANCS of Co-contributions received for members of the various STC schemes from the Commissioner for Taxation under the <i>Superannuation (Government Co-contribution for Low Income Earners) Act 2003</i> of the Commonwealth.
8.7.05	SANCS	<i>State Authorities Non-contributory Superannuation Act 1987</i>	<i>Superannuation Legislation Amendment Act 2005</i>	26AA	Increase in certain death benefits A deferred benefit is reduced to offset the 15% tax on employer contributions made for a death benefit. Prior to the amendment, where a member holding a deferred benefit died, the benefit paid from the scheme reflected the reduced amount. New provisions allow for death benefits to now be based on the higher, 'pre-reduction' benefit and for the fund to claim the tax deduction available in respect of employer funding of death benefits.
	SASS	<i>State Authorities Superannuation Act 1987</i>		45AA	
	SSS	<i>Superannuation Act 1916</i>		61RAA	
	PSS	<i>Police Regulation (Superannuation) Act 1906</i>		14AAA	
8.7.05	SANCS	<i>State Authorities Non-contributory Superannuation Act 1987</i>	<i>Superannuation Legislation Amendment Act 2005</i>	27AA, 27AB, 27AC, 27ACA	Government Initiated Privatisations and Member Transfers The former separate Privatisation and Government Initiative transfer provisions have effectively been combined to simplify the administrative arrangements covering the superannuation conditions and options applying to members who are required to leave their current public sector scheme due to a Government Initiative that changes their existing employer. Regulations may also be made to clarify employer liability issues in respect of any interim period that may arise between the employment change and actual scheme exit.
	SASS	<i>State Authorities Superannuation Act 1987</i>		46AAA, 46AC, 46AD, Pt. 1- Sch. 5	
	SSS	<i>Superannuation Act 1916</i>		62A, 64, 65, Pt 1- Sch. 23	

2004–05 legislation changes continued

Effective Date	Scheme	Principal Act or Regulation	Amending Act or Regulation	Section	Description
8.7.05	SASS	<i>State Authorities Superannuation Act 1987</i>	<i>Superannuation Legislation Amendment Act 2005</i>	16A	Pooling of employer liabilities for death and disability benefits STC is authorised, on actuarial advice, to adjust amounts in employers' reserve accounts to achieve an equitable pooling of liability for payment of employer contributions to death and disability benefits among all employers in the schemes.
	SSS	<i>Superannuation Act 1916</i>		8C	
8.7.05	SSS	<i>Superannuation Act 1916</i>	<i>Superannuation Legislation Amendment Act 2005</i>	29	Invalidity ('breakdown') pensions A retired breakdown pensioner who has attained age 55 may be granted payment of pension for life, subject to their election to this effect. Other provisions of the Act that facilitate a recall to employment service and cessation of pension, do not apply where a lifetime pension has been granted.
				Pt.2A	Redundant provisions relating to the medical examination of new contributors have been deleted in light of the scheme's long-term closure to new members.
8.7.05	STC schemes	<i>Superannuation Administration Act 1996</i>	<i>Superannuation Legislation Amendment Act 2005</i>	4,22,40,67,77	Trustee delegation of dispute determinations New provisions authorise STC to delegate their dispute determination functions to committees. A disputes committee must be comprised, wholly or in part, of members of the Trustee Board. The right of a disputant to appeal against a determination to the Industrial Relations Commission in Court session, is not affected. The amendments also make it clear that the dispute determination provisions of this Act do not apply to disputes under the <i>Police Regulation (Superannuation) Act 1906</i> relating to hurt on duty benefits and determinations.
8.7.05	SANCS	<i>State Authorities Non-contributory Superannuation Act 1987</i>	<i>Superannuation Legislation Amendment Act 2005</i>	Sch. 5	Superable salary loading in respect of shift allowances The amendments specify the basis on which the determination of a SSS member's superable salary for contribution and benefit purposes shall take into account a shift allowance that would have been paid but for the member being on leave. Regulations reflecting this specification may be made to apply to SASS and SANCS members. The amendments also validate anything done or omitted to be done in this respect since 1 March 1999.
	SASS	<i>State Authorities Superannuation Act 1987</i>		Sch. 6	
	SSS	<i>Superannuation Act 1916</i>		Sch. 24	

Account payment performance

Aged analysis at end of each quarter

Quarter	Current	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	More than 90 days overdue
September 2004	0	0	0	0	0
December 2004	0	0	0	0	0
March 2005	0	0	0	0	0
June 2005	0	0	0	0	0

Accounts paid on time within each quarter

Quarter	Total accounts paid on time		Total amount paid	
	Target %	Actual %	\$	\$
September 2004	100%	100%	50,166,346.00	50,166,346.00
December 2004	100%	100%	45,722,747.00	45,722,747.00
March 2005	100%	100%	43,041,443.00	43,041,443.00
June 2005	100%	100%	50,063,535.00	50,063,535.00
Total				188,994,081.00

Payments to consultants during 2004–05

Fees exceeding \$30,000

Project	Consultant	Total Cost \$
Finance & Accounting		\$
Other Accounting & Tax Advice	KPMG	74,136
Tax Return Preparation & Lodgement	KPMG	62,688
Investment		
Investment Consulting	Intech Pty Ltd	708,125
Investment Consulting	Mercer Investment Consulting	70,879
Information Services	Moneyline Telerate (Singapore) Pty Ltd	35,780
Investment Consulting	JANA Investment Advisers	33,000
Total Fees Exceeding \$30,000		984,608

Fees Less Than \$30,000

Five consultants were engaged at a total cost of \$54,609 in the areas of information services.

Human Resource management

Staff of the Executive are employed by the Trustee Corporation. The administration of payroll and human resource services are provided by Pillar Administration.

The table below shows the STC Executive, male, female and total staff numbers by salary band at 30 June 2005.

Salary Range	Men	Women	Total staff (number)
< \$30,146	0	0	0
\$30,146 - \$39,592	0	0	0
\$39,593 - \$44,264	0	1	1
\$44,265 - \$56,012	0	3	3
\$56,013 - \$72,434	2	3	5
\$72,435 - \$90,543	1	4	5
> \$90,543 (non SES)	4	3	7
> \$90,543 (SES)	1	0	1
Totals	8	14	22
	36.4%	63.6%	

Senior Executive Service (SES)

STC employs one SES officer, the CEO, Mr Don McLean, at Grade 5 level. The total remuneration package for this position is \$219,850. The criteria used for assessing the CEO's remuneration package was as set out in *Premier's Memorandum no. 99-25*.

During the year, the staff of the Executive, under Mr McLean's leadership, achieved a number of significant goals agreed at the commencement of the year with the Trustee Board.

Salary movement

For the period July to December, the CEO's salary was paid equally by FTC and STC. After the appointment of the FTC CEO on 1 December, the STC CEO's salary was met fully by STC. Throughout the year, the remuneration costs of the investment team were shared equally between STC and FTC. All other staff costs were met fully by STC.

Salaries for contract staff are reviewed annually as part of a formal performance appraisal system. Award staff are covered under the *Crown Employees (Public Sector — Salaries June 2002) Award*. Staff under this award received an incremental salary increase of 4% on 1 July 2004.

Industrial relations

The Public Service Association of New South Wales provided industrial coverage for staff on the Executive. No time was lost during 2004-05 through industrial action.

Training and development

The Trustee Corporation recognises the need for the ongoing development of staff and a training program has been introduced for all staff to meet PS146 training requirements. Staff attend training designed by external providers. In addition, staff of the Executive continued to keep up to date with changes in the superannuation industry by regularly attending seminars, short courses and conferences.

Occupational health and safety

During the reporting period, the Trustee Corporation did not experience any work related injuries, work related illnesses, or prosecutions under the *Occupational Health and Safety Act 1993*.

Representation of Equal Employment Opportunity (EEO) target groups

STC is an equal opportunity employer that has integrated EEO practices into all areas of the workplace, thereby creating an environment where staff are valued and have the opportunity to contribute and develop. The merit principle is applied to all recruitment, selection, promotion, training and other employment related opportunities.

EEO data is requested from all STC staff on commencement of employment.

Table A: Trends in the Representation of EEO Groups

EEO GROUP	Benchmark or target	% of total staff			
		2002	2003	2004	2005
Women	50%	57%	60%	67%	64%
Aboriginal people and Torres Strait Islanders	2%	0%	0%	0%	0%
People whose first language was not English	19%	13%	11%	18%	23%
People with a disability	12%	0%	0%	0%	0%
People with a disability requiring work related adjustment	7%	0%	0%	0%	0%

Table B: Trends in the Distribution of EEO Groups

EEO GROUP	Benchmark or target	Distribution Index			
		2002	2003	2004	2005
Women	100	N/A	N/A	N/A	N/A
Aboriginal people and Torres Strait Islanders	100	N/A	N/A	N/A	N/A
People whose first language was not English	100	N/A	N/A	N/A	N/A
People with a disability	100	N/A	N/A	N/A	N/A
People with a disability requiring work related adjustment	100	N/A	N/A	N/A	N/A

1. A Distribution Index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. The Distribution Index is automatically calculated by the software provided by ODEOPE (Office of the Director of Equal Opportunity in Public Employment, now part of the Public Employment Office).

2. The Distribution Index is not calculated where EEO group or non-EEO group numbers are less than 20.

Risk management and insurance

Audit and Compliance Committee

The Trustee Corporation's Audit and Compliance Committee comprises members of the Trustee Board and its meetings are also attended by representatives of the NSW Audit Office and the scheme administrator, Pillar Administration.

The primary objective of the Audit and Compliance Committee is to advise and assist the Trustee Corporation on matters relating to auditing and processes, risk management and compliance issues, taking into account best practice principles. In particular the Committee assists with:

- the annual statutory accounts, including determining the timeframe for completion of the accounts to meet regulatory requirements;
- monitoring the STC management accounts against budget and reporting to the Trustee Board;
- external auditor functions, including the review of fees, effectiveness and independence of the external auditor;
- functions performed by the internal auditor for the administrator and custodian and the relevant internal audit reports;
- industry accounting changes;
- internal processes of the Executive and the services providers; and
- statutory, third party and contract compliance.

The Audit and Compliance Committee oversees and appraises the audits conducted by the administrator's internal auditor and the external auditor and serves as an independent and objective party to review the financial information presented by management to members, regulators and the NSW Government. The Audit and Compliance Committee also provides the external auditor with the opportunity to address the Committee without any other attendees being present.

Insurance

During the financial year 2004–05, insurance for the Trustee Corporation was continued with the Treasury Managed Fund, which covers all the NSW Government's insurable risks. The Treasury Managed Fund provides unlimited cover for the following classes of risk:

- workers' compensation;
- motor vehicle;
- property (full replacement, new for old, including consequential loss);
- liability (including, but not limited to, professional indemnity, directors' and officers' liability); and
- miscellaneous (e.g. personal accident and protection for overseas travel).

Freedom of Information

All enquiries and requests under the *Freedom of Information Act 1989* (the Act) for the period 1 July 2004 to 30 June 2005 were handled on behalf of the Trustee Corporation by the scheme administrator, Pillar Administration (Pillar). Statistical information for FOI requests is contained in Pillar's annual report.

In accordance with section 14(1)(a) of the Act, an up to date *Statement of Affairs* was published on 30 June 2005 and appears on page 97.

In accordance with section 14(1)(b) of the Act, a *Summary of Affairs* was published in the Gazette in December 2004 and June 2005 and is published as part of this Annual Report on page 99.

The Summary and Statement are also available on the STC website at www.statesuper.nsw.gov.au

Statement of Affairs

of the SAS Trustee Corporation pursuant to section 14(1)(a) and (3) of the Freedom of Information Act 1989 at 30 June 2005

Under the *Freedom of Information Act 1989* (NSW), each New South Wales Government department or agency is required to publish an annual *Statement of Affairs*. The Statement describes the structure and function of the agency and lists the categories of documents held by the agency. It also sets out how to obtain access to available documents held by the agency. The following information satisfies the legislative requirements of the Act.

Structure and functions

SAS Trustee Corporation (STC) is the trustee of the NSW public sector superannuation schemes listed below. The structure of the Trustee Board and its Executive and the principal functions of STC are set out in STC's *Annual Report*.

Effect of functions on members of the public

The functions of STC affect only those members of the public who are NSW public sector employees and who are members of at least one of the following STC superannuation schemes:

- State Superannuation Scheme,
- State Authorities Superannuation Scheme,
- State Authorities Non-contributory Superannuation Scheme, and
- Police Superannuation Scheme.

Public participation in policy and exercise of functions

Public sector employees who are members of a superannuation scheme mentioned above can participate in the policy and exercise of functions of STC through their member representatives on the Trustee Board.

In keeping with the principles of good corporate governance, and because of the complexity of the statutory and regulatory environment in which STC operates, a number of Trustee Board committees assist STC in the performance of its functions. These committees are identified in STC's *Annual Report*, together with details of their membership and purpose. STC and its Executive also consult with the Premier's Department and Treasury in the formulation and development of scheme policy.

Policy documents held

The following documents are available for inspection for a fee of \$30:

- *Policy Register* for each of the STC schemes — these contain guidelines for implementing the rules contained in the scheme legislation;
- *Codes of Conduct* for the Trustee Board and its Executive — these contain a description of the principles of conduct under which Trustee Board members and Executive staff must conduct themselves in the performance of their functions;
- *STC Privacy Statement* — the Statement outlines procedures STC has in place to ensure compliance with the *Privacy and Personal Information Protection Act 1998* (NSW) and the *Health Records Information Privacy Act 2002* (NSW);
- *STC Ethnic Affairs Priority Statement* — this shows how STC addresses the needs of a culturally and linguistically diverse society; and
- *STC Disability Action Plan* — this outlines how STC addresses the needs of disabled staff members as well as members of the public who have recourse to its services.

Statement of Affairs continued

Arrangements and procedures for access to documents or amendment of member records

STC has outsourced the function of providing access to documents and amending member records to the scheme administrator, Pillar Administration.

Member records contain information about individual scheme members required for the administration of the superannuation schemes. The information relates to personal details, employment history, contributions and benefits paid to a member or other person in respect of a member and general correspondence about the superannuation entitlements. Member records are held on computer and microfiche. Member information is held on behalf of STC by the scheme administrator.

A scheme member may contact the Freedom of Information Co-ordinator if they wish to view or correct any personal information about them held by the scheme administrator. Requests to amend personal information may directly affect contributions or benefits payable under the scheme, therefore the scheme administrator may require proof of the amended information.

By law, applications must be processed within 21 days. This time limit may be extended in special circumstances, for example, if there is a need to consult a third party. If this is the case, the applicant will be advised in writing.

An application fee of \$30 will apply for inspection of documents and access to personal records. A 50% reduction may apply if the applicant can demonstrate financial hardship. The Freedom of Information Co-ordinator can advise the correct fee in any particular case. Amendment of records is done free of charge.

In addition to the application fee, an applicant seeking access to personal documents is given the first 20 hours processing time free. However, if the application is not for personal documents or if it exceeds the first 20 hours, an hourly charge of \$30 may apply. Again, a 50% reduction may apply in certain cases of hardship.

When processing an application, every effort will be made to minimise the cost to the applicant. Where appropriate, the applicant will be contacted to discuss options for limiting the cost of processing.

Freedom of Information contact

Requests under the *Freedom of Information Act 1989* for inspection of policy documents held by STC and access to member records can be made to:

The Freedom of Information Co-ordinator
SAS Trustee Corporation
PO Box 1229
Wollongong DC NSW 2500

Telephone: (02) 4253 1478
Facsimile: (02) 4253 1467

Applications and enquiries can be made between 10.00 am and 4.00 pm Monday to Friday.

Summary of Affairs

of the SAS Trustee Corporation pursuant to Section 14(1)(b) & (3) of the Freedom of Information Act 1989 at 30 June 2005

Section 1: Policy Documents

SAS Trustee Corporation (STC) is the trustee of the New South Wales public sector closed defined benefit superannuation schemes.

Policy documents for STC that are available for inspection are:

- *State Superannuation Scheme policy register,*
- *State Authorities Superannuation Scheme policy register,*
- *State Authorities Non-contributory Superannuation Scheme policy register,*
- *Police Superannuation Scheme policy register,*
- *All Schemes policy register,*
- *STC Board Code of Conduct,*
- *STC Executive Code of Conduct,*
- *STC Privacy Statement,*
- *Ethnic Affairs Priority Statement, and*
- *Disability Action Plan.*

Section 2: Statement of Affairs

The most recent *Statement of Affairs* for STC is published annually in STC's Annual Report (see page 97). The Statement is available on the website at www.statesuper.nsw.gov.au. A copy of the *Statement of Affairs* can also be obtained (free of charge) by contacting the Freedom of Information Co-ordinator.

Section 3: Freedom of Information Contact Point

Requests under the *Freedom of Information Act 1989* for inspection of policy documents held by STC and requests by members to access their member records should be made to:

The Freedom of Information Co-ordinator
SAS Trustee Corporation
PO Box 1229
WOLLONGONG DC NSW 2500

Telephone: (02) 4253 1478

Facsimile: (02) 4253 1467

Applications and enquiries can be made between 10:00am and 4:00pm Monday to Friday.

Property transactions

Properties acquired during the year	Settled	Purchase Price \$m
Nil		
Properties sold during the year	Settled	Sale Price \$m
Westfield Mt Druitt, Sydney**	Sep 04	130.0
Regents Park Estate, Sydney*	Jan 05	94.0
18–20 Barrack Street, Sydney	Feb 05	44.5
Westfield Hurstville, Sydney**	May 05	232.0
St Leonards Corporate Centre, Sydney	May 05	77.0
Greensborough Plaza Shopping Centre, Victoria**	Jun 05	160.0
		<u>737.5</u>

*STC still retains a 50% holding.

**STC held 50% of these assets.

Ethnic Affairs Priorities Statement

The Trustee Corporation is committed to the principles outlined in the *Community Relations Commission and Principles of Multiculturalism Act 2000* and ensures that delivery of services by the Trustee to members of the STC Schemes responds to the culturally and linguistically diverse groups of members and their special needs.

The Trustee Corporation has developed an *Ethnic Affairs Priorities Statement* for the purpose of addressing the needs of the Schemes' culturally diverse membership and aims to improve the Trustee Corporation's management and delivery of services.

An ongoing strategy is to arrange, at a member's request, for any Scheme communication material to be translated by accredited interpreters into languages other than English at no cost to members. Interpreter services may also be provided for members for whom English is not their first language. During the year, STC had no requests for any of the member communication materials to be translated to another language. With respect to interpreter services the Administrator would, on average, receive approximately 5 requests per year.

To ensure members are provided with an opportunity to access the services offered by the Trustee Corporation, consideration is given to members' locations within the state when developing a communication strategy for the coming year. Member education seminars are conducted in Sydney as well as other areas outside the metropolitan region. The Trustee aims to reach a wider range of members by adopting this strategy as it is recognised that not all members have the ability to travel in order to receive these services.

In addition, the Trustee Corporation promotes the employment of culturally and linguistically diverse people. All employees of the Trustee Corporation are made aware, on appointment, of the Corporation's commitment to the Ethnic Affairs Priority Statement. The Staff Code of Conduct and Ethics, signed by all employees, reinforces this commitment.

Disability Plan

The Trustee Corporation has developed a *Disability Plan* as part of a whole-of-government disability framework. The administrator of the Pooled Fund also has a *Disability Plan* which covers the Fund's members.

The Trustee Corporation ensures that clients with disabilities can access facilities and assets, including requiring the Fund's property manager to pursue building access for people with disabilities. The Trustee Corporation also ensures that people with disabilities are considered for employment and are given training and development opportunities to suit their needs.

The Trustee Corporation last revised its *Disability Plan* in 2000 in conjunction with the NSW Ageing and Disability Department to update the Plan in line with current standards. A review of the Plan has been scheduled for 2006.

Overseas visits

No overseas visits were undertaken by officers or employees of the Trustee Corporation during the financial year 2004–05.

Privacy and use of member information

As a NSW Government body, the Trustee Board must comply with relevant legislation, including the *Privacy and Personal Information Protection Act 1998* (the Privacy Act) and, from 1 September 2004, the *Health Records and Information Privacy Act 2002* (HRIP Act).

The Trustee Corporation has developed a *Privacy Management Plan* (Plan) and, with the assistance of the scheme administrator, has implemented the policies and procedures set out in the Plan. A Privacy Statement is available to members which explains how the Trustee deals with members' personal and health information collected and used in the course of administering the Schemes.

The Statement details the action to be taken to ensure compliance with the requirements of the Privacy and HRIP Acts and is available both on request and on the State Super website at www.statesuper.nsw.gov.au

There were no reviews conducted by or on behalf of the Trustee under Part 5 of the Privacy Act or under Part 6, Division 1 of the HRIP Act during the year.

Codes of Conduct

The *Codes of Conduct and Ethics* for the Trustee Corporation and Executive staff (the Codes) are periodically reviewed against policies and guidelines released by the NSW Government and various industry bodies.

The Codes were amended during the year to update embargos on members of the Trustee Board and Executive Staff as follows:

On 29 September 2004 the embargo placed on trading in the following shares in April 2004 was lifted:

- Deutsche Industrial Trust;
- Deutsche Office Trust;
- Deutsche Diversified Fund.

On 30 March 2005, an embargo was placed on trading in DB RREEF Trust (DRT) units.

On 31 May 2005, Trustee Board members and Executive staff were permitted to sell a parcel of DRT units already held, up to a limit of 500,000 over any three month period, but could not trade in DRT units, i.e. buying or selling units.

The Codes were also amended to incorporate compliance with the *Health Records and Information Privacy Act 2002*, which commenced 1 September 2004.

The Code for the Executive Staff was also amended to include provisions for fraud and theft as required for compliance purposes.

The Codes are available on the State Super website at www.statesuper.nsw.gov.au

Action Plan for Women

The NSW Government has initiated an action plan for women focussing on:

- reducing violence against women;
- promoting equitable and safe workplaces for women;
- maximising interests of women in economic reforms;
- promoting the position of women in society;
- promoting access to and successful outcomes for women in education and training; and
- improving health and quality of life for women in NSW.

The Trustee Corporation recognises these considerations in its corporate planning and policy development and supports these initiatives.

Policies for the Fund recognise the importance of women in the workforce and the increasingly crucial role superannuation plays for women both during their working lives and in retirement.

Other parts of this *Annual Report* show the number of women and levels of representation on the Trustee Board and on the Executive staff. The figures reflect the high recognition by the Trustee Corporation to the valuable contributions that are made by women in the field of superannuation.

The Executive recruitment program during the year ensured women were selected for senior positions for which they were qualified.

Waste Reduction and Purchasing Policy

STC has developed and implemented a *Waste Reduction and Purchasing Policy Plan* in accordance with the *Waste Avoidance and Resource Recovery Act 2001*.

The plan focuses on reducing the generation of waste, resource recovery and the use of recycled material. Significant savings have been made in the minimisation of waste paper products by such measures as double siding monthly board and committee papers, and press clippings being circulated electronically.

A survey of past Annual Report recipients was carried out and determined that one-third of all those surveyed would prefer to view the Annual Report over the web rather than receive a paper copy in the mail. As a consequence, STC has significantly reduced the print run of this document over the past 5 years.

The Trustee Corporation has had in place for some time a waste paper recycling scheme whereby all waste paper is sent for recycling. All staff are made aware of this scheme and fully participate in it. All printer and photocopier toner cartridges are also recycled, i.e. recycled cartridges are purchased and used cartridges are sent back for recycling.

The Trustee Corporation continues to report its progress on waste reduction to the Department of Environment and Conservation (NSW), formerly Resource NSW, every two years.

Annual Report Production Details

400 copies of this publication have been printed at an estimated maximum cost of \$3,200. This cost includes artwork and print production costs. This publication is available on the State Super website at www.statesuper.nsw.gov.au (see under *Publications*).

Publications produced at 30 June 2005

SASS Scheme Fact Sheets

1. Overview
2. Contributions
3. Benefit Points System
4. Optional Additional Benefit Cover
5. Retirement Benefit
6. Salary for Superannuation Purposes
7. Invalidity Retirement Benefit
8. Death Benefit
9. Retrenchment Benefit
10. Resignation (Withdrawal) Benefit
11. (Replaced by STC Fact Sheet 10)
12. Taxation
13. Optional Deferred Benefit
14. (Replaced by STC Fact Sheet 7)
15. Choosing an investment strategy

SSS Scheme Fact Sheets

1. Salary for Superannuation Purposes
2. Unit Entitlement
3. Contributions
4. Part Time Employment and Part Time Leave Without Pay
5. (Replaced by STC Fact Sheet 10)
6. Break in Employment
7. Normal Retirement Benefit
8. Early Voluntary Retirement Benefit
9. Invalidity Retirement Benefit
10. Death of a Scheme Member before Retirement
11. Death of a Scheme Member after Retirement
12. Child Pensions
13. CPI Adjustment of your Pension
14. Exchanging your pension for a Lump Sum
15. Resignation (Withdrawal) Benefit
16. Retrenchment Benefit
17. Optional Deferred Benefit
18. Taxation
19. (Replaced by STC Fact Sheet 7)
20. Contributions and Benefits up to age 70
22. Contributions Arrears

PSS Scheme Fact Sheets

1. Overview
2. Contributions and Superable Salary
3. Benefits on Normal Retirement
4. Benefits on Early Voluntary Retirement
5. Invalidity Retirement (Medical Discharge)
6. Death Benefits
7. Resignation/Dismissal Benefit and Voluntary Benefit Deferral
8. (Replaced by STC Fact Sheet 10)
9. Taxation
10. Complaints, Disputes and Freedom of Information

All Scheme Fact Sheets

1. Information about the Commonwealth Contributions Surcharge Tax
2. Early Release of superannuation benefit on grounds of severe financial hardship
3. What is salary sacrifice?
4. When can I be paid my superannuation benefits?
5. Retiring or resigning? What you need to know for payment of your benefit
6. Early release of a superannuation benefit on compassionate grounds
7. Complaints, Disputes, Appeals and Freedom of Information (FOI)
8. Calculation of superable salary and employer contributions *oncost* for members of the Chief and Senior Executive Service (SES)
9. Freedom of information and privacy statement
10. Basic Benefit
11. Reasonable Benefit Limits (RBLs)
15. Family Law

Flyers

SASS Member Investment Choice flyer
Information About Exit Statements
Superannuation Contacts

Other Communications

Report to Members
Annual Report
Super Views newsletters
Super Update newsletter
At-a-glance scheme summaries booklet
Code of Conduct and Ethics for Staff of the Executive of the SAS Trustee Corporation
Code of Conduct and Ethics for the members of the Board of the SAS Trustee Corporation
Privacy Statement
Freedom of Information - Summary of Affairs
Freedom of Information - Statement of Affairs
SASS Employer Easy Reference Guide
SSS Employer Easy Reference Guide
PSS Employer Easy Reference Guide

Website

www.statesuper.nsw.gov.au

Compliance index for disclosure requirements 2004–2005

In accordance with the *Annual Reports (Statutory Bodies) Regulation*, this index has been prepared to facilitate identification of compliance with statutory disclosure requirements.

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How to contact State Super



STATE SUPER
SAS Trustee Corporation

ABN: 29 239 066 746



ABN: 80 976 223 967

CUSTOMER SERVICE

8.30 am to 5.30 pm, Monday to Friday for the cost of a local call (except from a mobile or pay phone)

State Authorities Superannuation Scheme (SASS)	1300 130 095
State Superannuation Scheme (SSS)	1300 130 096
Police Superannuation Scheme (PSS)	1300 130 097
Pensioners	1300 652 113
Deferred Benefits	1300 130 094

PERSONAL INTERVIEW SERVICE

For an interview appointment in Sydney, call (02) 9238 5540.

You can also arrange interviews at:

Newcastle (telephone: 1800 807 855)

Parramatta (telephone: 1800 626 000)

Port Macquarie (telephone: 1800 676 839)

Wollongong (telephone: 1800 060 166)

FAX SERVICE

(02) 4253 1688

INTERNET

www.statesuper.nsw.gov.au

EMAIL

enquiries@stc.nsw.gov.au

MAILING ADDRESS

For Customer Service and Pillar Administration:
PO Box 1229 Wollongong DC NSW 2500

For SAS Trustee Corporation (the Trustee Board) and the Office of the Full-time Board member:
PO Box N259, Grosvenor Place NSW 1220

COMPLAINTS AND DISPUTES

If you have a question about your account or benefits, initially contact Customer Service. If you are dissatisfied with an administrative action, you may lodge a complaint with the scheme administrator (Pillar Administration).

If you feel you have been unfairly treated or are disadvantaged by a decision of the scheme administrator relating to a benefit entitlement, you may lodge a notice of dispute with the Trustee Board. Send the notice to the **Manager Disputes and Appeals, SAS Trustee Corporation (STC), PO Box N259, Grosvenor Place NSW 1220.**

You may then be requested to clarify certain details relating to your dispute and to provide additional supporting evidence. Your dispute will then be referred to the Trustee's Disputes Committee for consideration.

You will be notified of the outcome of the Disputes Committee review.

If you are dissatisfied with the Trustee Board's review of that decision, you may lodge an appeal with the NSW Industrial Relations Commission (in Court Session) within 6 months of being notified of the outcome of the review, or within a further time allowed by the Commission.

(The Commonwealth Superannuation Complaints Tribunal does not action STC member complaints.)

This document contains general information. In preparing the document, SAS Trustee Corporation (STC) has not taken into account your objectives, financial situation or needs and, because of this, you should consider your personal circumstances and possibly seek professional advice before making any decision that affects your future. To the extent permitted by law, STC, its directors and employees do not warrant the accuracy, reliability or completeness of the information and exclude liability for any decision taken on the basis of information contained in or omitted from this report. STC cannot guarantee any particular rate of return and past investment performance is not a reliable guide to future investment performance.