

PART D

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 STC 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 2005 to 30 June 2006.

In line with the requirements of the *Annual Reports (Statutory Bodies) Act 1984*, Board meeting attendance is notified below.

	Appointed	Termination date	Meetings attended	Possible attendance
Chairperson				
Mr M Cole	1 April 2000	30 Sept 2007	10	10
Employer Representatives				
Mr I Blair	1 Sept 1998	31 Jan 2008	8	10
Mr P Scully	1 Feb 2004	31 Jan 2010	9	10
Ms O Sananikone	1 Feb 2004	31 Jan 2006	1	5
Mr M Lambert	1 Feb 2004	31 Jan 2010	8	10
Ms A De Salis	1 Feb 2006	31 Jan 2008	5	5
Employee Representatives				
Mr R Davis	1 July 1996	31 Dec 2009	10	10
Mr R Harty	1 Jan 2002	31 Aug 2006	10	10
Ms M O'Halloran	1 Sept 2002	31 Aug 2006	8	10
Mr N Lewocki	1 Sept 1998	31 Aug 2006	6	10

The Trustee Board Committees

The Committees and details of their functions and membership at 30 June 2006 are:

Actuarial Committee

Members Messrs Scully (chairperson), Davis and Lambert; Mr Cole is ex officio member; also attended by officers of STC 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 STC 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 was discontinued upon completion of the administration contract negotiations in September 2005. The functions of the committee have been absorbed by the Board.*

Audit and Compliance Committee

Members Messrs Blair (chairperson), and Davis and Mses Sananikone (until December 2005), De Salis (from February 2006) and O'Halloran; Mr Cole is ex officio member; also attended by officers of STC, 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 STC.

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 section 85 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

Remuneration Committee

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

Purpose To review the salary structure of the Executive of STC; 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 STC.

Members Mr Davis as nominee of STC.

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 STC on such matters relating to the *Police Regulation (Superannuation) Act 1906*.

Board Member attendance at STC Committee meetings

	Meetings Attended	Possible Attendance
Actuarial Committee		
R Davis	3	5
M Cole (<i>ex officio</i>)	5	5
P Scully	5	5
M Lambert	3	5
R Harty	2	2
Administration Committee		
R Harty	2	2
R Davis	2	2
M Cole (<i>ex officio</i>)	2	2
O Sananikone	-	-
M Lambert	1	2
P Scully (<i>as an alternate for O Sananikone</i>)	2	2
Audit and Compliance Committee		
I Blair	4	4
R Davis	4	4
M Cole (<i>ex officio</i>)	3	3
O Sananikone	0	2
M O'Halloran	2	3
A De Salis	2	2
R Harty (<i>as an alternate for M O'Halloran</i>)	1	1
Disputes Committee		
N Lewocki	7	7
R Davis	6	7
P Scully	7	7
I Blair	4	7
Remuneration Committee		
M Cole	2	2
I Blair	2	2
R Harty	2	2
Police Superannuation Advisory Committee		
R Davis	11	12

Consumer response — disputes and appeals

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

At 30 June 2005, 32 disputes were current. During the year ending 30 June 2006, STC received 41 new disputes and 54 disputes were concluded (including disputes carried over from the previous year). Of those disputes:

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

At the end of the reporting year, 19 disputes were current.

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

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

At the end of the reporting year, 6 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 STC. These relate to lump sum payments for duty-related permanent impairments and pension increases. During the financial year 2005–06, these appeals resulted as follows:

- 4 were decided against the appellant,
- 8 were decided in favour of the appellant,
- 21 were withdrawn or discontinued, and
- 43 were settled.

At the end of the reporting year, 44 appeals remained to be concluded.

2005–06 Legislation changes

Schemes:

SASS — State Authorities Superannuation Scheme

SSS — State Superannuation Scheme

PSS — Police Superannuation Scheme

SANCS — State Authorities Non-contributory Superannuation Scheme

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
8.7.05	PSS	<i>Police Superannuation Regulation 2000</i>	<i>Police Superannuation Amendment (Hurt on Duty Gratuity) Regulation 2005</i>	Cl. 25	Validation of prior 'hurt-on-duty' decisions Consequent on the enactment of the <i>Superannuation Legislation Amendment Act 2005</i> , the Regulation introduced a transitional provision that enables STC, when determining whether to grant a gratuity under section 12 of the principal Act, to rely on a 'hurt-on-duty' decision made by the Commissioner of Police before that section's amendment, whether or not the Commissioner's decision was made at the request of STC.
24.11.05	SANCS	<i>State Authorities Non-contributory Superannuation Act 1987</i>	<i>First State Superannuation Legislation Amendment (Conversion) Act 2005 (No. 91)</i>	3, 27AD	Benefit transfers to FSS Ancillary amendments relating to the transfer of certain benefits to the First State Superannuation Fund, which were needed as a result of conversion of the fund to a 'public offer' superannuation fund regulated under Commonwealth legislation.
	SASS	<i>State Authorities Superannuation Act 1987</i>		3, 46AE	
	SSS	<i>Superannuation Act 1916</i>		3, 20AB	
	PSS	<i>Police Regulation Superannuation Act 1906</i>		1, 5B	

2005–06 Legislation changes continued

Effective Date	Scheme	Principal Act or Regulation	Amending Act or Regulation	Section	Description
25.11.05	SASS	<i>State Authorities Superannuation (Transport Officers' Gratuity Scheme Transfer) (Savings and Transitional) Regulation 1989</i>	<i>State Authorities Superannuation (Transport Officers' Gratuity Scheme Transfer) (Savings and Transitional) Amendment Regulation 2005</i>	CI 9	Retention of benefits for certain transferred members Provides for the retention of special Gratuity Scheme benefits for certain transport officers who were formerly members of that scheme and whose employment is transferred to Railcorp.
1.7.05	PSS	<i>Police Superannuation Regulation 2005</i>	<i>Police Superannuation Amendment (Surcharge Deduction Amount) Regulation 2005</i>	CI 31	Surcharge tax abolition Complements Commonwealth legislation to abolish the superannuation surcharge with effect from 1.7.05. The maximum surcharge applying to the employer financed portion of a member or former member's benefit that accrues from 1.7.05 onwards is 0%.
1.7.05	SASS	<i>State Authorities Superannuation Regulation 2005</i>	<i>State Authorities Superannuation Amendment (Surcharge Deduction Amount) Regulation 2005</i>	CI 19	Surcharge tax abolition Complements Commonwealth legislation to abolish the superannuation surcharge with effect from 1.7.05. The maximum surcharge applying to the employer financed portion of a member or former member's benefit that accrues from 1.7.05 onwards is 0%.
1.7.05	SSS	<i>Superannuation Regulation 2001</i>	<i>Superannuation Amendment (Surcharge Deduction Amount) Regulation 2005</i>	CI 12	Surcharge tax abolition Complements Commonwealth legislation to abolish the superannuation surcharge with effect from 1.7.05. The maximum surcharge applying to the employer financed portion of a member or former member's benefit that accrues from 1.7.05 onwards is 0%.

2005–06 Legislation changes continued

Effective Date	Scheme	Principal Act or Regulation	Amending Act or Regulation	Section	Description
30.1.06	SASS	<i>State Authorities Superannuation Act 1987</i>	<i>Police Amendment (Death and Disability) Act 2005 (No. 112)</i>	Pt 5D	<p>New death or incapacity benefit cover for Police Officers The amendments provide for the making of regulations (see below) to give effect to the provisions of a specified industrial award under which police officers are entitled to death or incapacity benefits. Does not apply to members of the Police Superannuation Scheme.</p> <p>The Regulation facilitates the administration of new death or incapacity benefit cover provisions for police officers introduced by the above-mentioned Act. It authorises STC to provide relevant information regarding police officers (with the permission of the member) to NSW Police or the First State Superannuation Trustee Corporation (FTC). It also specifies rules governing eligibility for, or continuation of, Additional Benefit cover in SASS for police officers who are members of that scheme.</p>
30.1.06	SASS	<i>State Authorities Superannuation Regulation 2005</i>	<i>State Authorities Superannuation Amendment (Police Officers) Regulation 2006</i>	Pt 4A	<p>New death or incapacity benefit cover for Police Officers The amendments provide for the making of regulations (see below) to give effect to the provisions of a specified industrial award under which police officers are entitled to death or incapacity benefits. Does not apply to members of the Police Superannuation Scheme.</p> <p>The Regulation facilitates the administration of new death or incapacity benefit cover provisions for police officers introduced by the above-mentioned Act. It authorises STC to provide relevant information regarding police officers (with the permission of the member) to NSW Police or the First State Superannuation Trustee Corporation (FTC). It also specifies rules governing eligibility for, or continuation of, Additional Benefit cover in SASS for police officers who are members of that scheme.</p>
20.6.06	SSS	<i>Superannuation Act 1916</i>	<i>Statute Law (Miscellaneous Provisions) Act 2006</i>	61RB	<p>Election to receive pension in a form that complies with Commonwealth standards The right of a member to elect to make their pension a 'complying' pension for tax purposes is extended to persons in receipt of invalidity pensions from the fund.</p>

2005–06 Legislation changes continued

Effective Date	Scheme	Principal Act or Regulation	Amending Act or Regulation	Section	Description
30.6.06	PSS	<i>Police Regulation Superannuation Act 1906</i>	<i>Superannuation Legislation Amendment Act 2006</i>	23D	<p>Deferral of Pension Commencement Date (election to nominate a later commencement date) The amendments enable a person entitled to a pension benefit to nominate a pension payment commencement date that is later than that on which benefit payment would otherwise commence.</p>
	SSS	<i>Superannuation Act 1916</i>		61VA	
30.6.06	SASS	<i>State Authorities Superannuation Act 1987</i>	<i>Superannuation Legislation Amendment Act 2006</i>	4	<p>Salary for superannuation purposes The Regulations under the various Acts may be amended to provide that the salary of an employee or class of employees (other than an executive officer) for the purposes of the Acts is to be determined in the manner prescribed by the regulations if the basis on which the remuneration of the employee or class of employees is determined has been changed to an annualised basis. Regulations can only be made with the agreement of the Minister and Treasurer.</p>
	SSS	<i>Superannuation Act 1916</i>		3A	
	SANCS	<i>State Authorities Non-contributory Superannuation Act 1987</i>		4	
30.6.06	SASS	<i>State Authorities Superannuation Act 1987</i>	<i>Superannuation Legislation Amendment Act 2006</i>	28	<p>Variations of contribution rates: hardship STC may, at any time, accept a contributor's election to reduce their personal rate of contributions to SASS (to a rate of 0% or more) if it is satisfied that continuation of the current rate would result in financial hardship for the contributor. Acceptance of a 0% contribution rate may be given for a limited period only.</p>

2005–06 Legislation changes continued

Effective Date	Scheme	Principal Act or Regulation	Amending Act or Regulation	Section	Description
30.6.06	PSS	<i>Police Regulation Superannuation Act 1906</i>	<i>Superannuation Legislation Amendment Act 2006 (No. 53)</i>	8 9A 10A 10B 10(1BA)	<p>Police officer incapacity provisions</p> <p>The various amendments provide that:</p> <p>(a) the duties of a member of the police force, for the purposes of assessing whether an officer is incapable, due to a hurt-on-duty injury, of discharging their duties, includes the general duties imposed on all police officers (and, as a consequence, to validate previous certificates given on that basis),</p> <p>(b) a hurt-on-duty pension payable to a former member is payable from the date the former member lodged the application for the benefit or an earlier date determined by STC in exceptional circumstances,</p> <p>(c) both the NSW Police and injured police officers have mutual obligations in relation to participation in an injury management program,</p> <p>(d) hurt-on-duty benefits are payable to a former member of the police force only if the former member actually was incapable of discharging the duties of the member's office at the time of the member's resignation or retirement,</p> <p>(e) a hurt-on-duty superannuation allowance or additional amount under the Act is not payable unless an application is made before the member reaches the age of 60 years or not later than 5 years after the member resigns or retires, whichever is the later.</p>
30.6.06	PSS	<i>Police Regulation Superannuation Act 1906</i>	<i>Superannuation Legislation Amendment Act 2006 (No. 53)</i>	14J, 14K	<p>Police officer commutation provisions</p> <p>Commutation of an incapacity pension to a lump sum may now be made after a member reaches the age of 55 years (previously 60), and partial (previously only full) commutation is allowed. The right to commute all or part of a pension is again available at age 60 if not utilised earlier. The partial commutation and age 60 further right options are also extended to early voluntary and normal retirement pensions. A spouse pension payable on the death of a retired member is adjusted proportionately where the member's pension was partially commuted.</p>
To be proclaimed	SASS	<i>State Authorities Superannuation Act 1987</i>	<i>Superannuation Legislation Amendment Act 2006</i>	Part 3	<p>Facility to make 'salary sacrifice' contributions</p> <p>An employer of a contributor to SASS is authorised to be able to make 'salary sacrifice' (before tax) contributions to SASS on an employee's behalf. Any such contributions do not affect a member's superable salary for benefit purposes.</p>
	SANCS	<i>State Authorities Non-contributory Superannuation Act 1987</i>		4B	

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 2005	100%	100%	8,940,970
December 2005	100%	100%	8,338,750
March 2006	100%	100%	8,196,308
June 2006	100%	100%	8,553,881
Total			34,029,909

Payments to consultants during 2005–06

Fees exceeding \$30,000

Project	Consultant	Total Cost \$
Legal	Minter Ellison Consulting	351,086
Investment Consulting	Chant West Financial Services	52,250
Investment Consulting	JANA Investment Advisers	33,000
Total Fees Exceeding \$30,000		436,336

Fees Less Than \$30,000

Project	Consultant	Total Cost \$
Investment Consulting	Mercer Investment Consulting	17,721
Actuarial	Russell Investment Group	5,391
Total Fees Less Than \$30,000		23,112

Human Resource management

For the period up to 17 March 2006, staff of the Executive were employed directly by STC. However, following the proclamation of the *Public Sector Employment Legislation Amendment Act 2006*, all executive staff are now employed by the SAS Trustee Corporation Division of the Government Service of NSW. However, executive staff continue to work solely on the business of STC.

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 2006.

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	1	2	3
\$72,435 - \$90,543	1	4	5
> \$90,543 (non SES)	5	3	8
> \$90,543 (SES)	1	0	1
Totals	8	13	21
	38.1%	61.9%	

Senior Executive Service (SES)

STC employs one SES officer, the CEO, Mr Don McLean, at Grade 5 level. The total annual remuneration package for this position at 30 June 2006 was \$237,800, plus a retention allowance of \$27,000. The criteria used for assessing the CEO's remuneration package is 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 start of the year with the Trustee Board.

Salary movement

In the period from July to December 2005, the remuneration costs of the investment team were shared 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 2005.

Industrial relations

The Public Service Association of New South Wales provided industrial coverage for staff of the Executive. No time was lost during 2005-06 through industrial action.

Training and development

The Trustee recognises the need for the ongoing development of staff and has developed a training program to enable all appropriate members to meet PS146 training requirements. In addition, staff may attend training designed by external providers and they may keep up-to-date with changes in the superannuation industry by attending seminars, short courses and conferences.

Occupational health and safety

During the reporting period, the STC experienced one work related injury under the *Occupational Health and Safety Act 1993*. This occurred when a staff member was travelling on STC business.

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			
		2003	2004	2005	2006
Women	50%	60%	67%	64%	62%
Aboriginal people and Torres Strait Islanders	2%	0%	0%	0%	0%
People whose first language was not English	19%	11%	18%	23%	24%
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			
		2003	2004	2005	2006
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

STC's Audit and Compliance Committee comprises members of the 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 STC 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;
- the monitoring of the STC management accounts against budget and reporting to the Board;
- the external auditor functions, including the review of fees, effectiveness and independence of the external auditor;
- the functions performed by the internal auditor for the administrator and custodian and the relevant internal audit reports;
- industry accounting changes;
- the 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 2005–06, insurance for STC 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 2005 to 30 June 2006 were handled on behalf of STC 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 2006 and appears on page 46.

In accordance with section 14(1)(b) of the Act, a *Summary of Affairs* was published in the Gazette in December 2005 and June 2006 and is published as part of this Annual Report on page 48.

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 2006

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 role.

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 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 2006

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,*
- *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 in June 2005 in STC's Annual Report. 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 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.

Ethnic Affairs Priorities Statement

The STC 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 STC 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 STC'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 STC, consideration is given to member's location 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 STC promotes the employment of culturally and linguistically diverse people. All employees of the STC 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

STC has developed a *Disability Plan* as part of a whole-of-government disability framework. The administrator of the STC Schemes, Pillar Administration, also has a *Disability Plan* which covers the Fund's members.

STC 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. STC also ensures that people with disabilities are considered for employment and are given training and development opportunities to suit their needs.

STC 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. Another review of the Plan will be completed in the second half of 2006.

Overseas visits

No overseas visits were undertaken by officers or employees of STC during the financial year 2005–06.

Privacy and use of member information

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

STC 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 STC and Executive staff (the Codes) are periodically reviewed against policies and guidelines released by the NSW Government and various industry bodies.

The Codes were updated on 27 July 2005 to remove all embargoes in place at that time.

In addition, during the year the Codes were revised with a view to simplifying and clearly explaining the obligations of both Board members and the Executive Staff.

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

Property transactions

There were no acquisitions or disposals of property during the financial year 2005–06.

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.

STC 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 STC to the valuable contributions that are made by women in the field of superannuation.

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 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 few years.

STC 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.

STC 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

300 copies of this publication have been printed at an estimated maximum cost of \$3,500. 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 2006

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
12. Taxation
13. Optional Deferred Benefit
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
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
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. 2006 Amendments to PSS Legislation
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
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 oncost liability and membership options for members of the Chief and Senior Executive Service (SES)
9. Freedom of Information and Privacy
10. Basic Benefit
11. Reasonable Benefit Limits (RBLs)
12. Payment of Surcharge Assessments received after being paid a benefit or pension commencement
13. Information about the Commonwealth Government's Superannuation Co-contributions

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 2005–06

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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CONTACT DETAILS



STATE SUPER
SAS Trustee Corporation

ABN: 29 239 066 746



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)

ABN: 80 976 223 967

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 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

This report contains general information. Relevant information is subject to the Acts that govern the Schemes mentioned in this report and those Acts will prevail to the extent of any inconsistency. In preparing the report, 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.

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.)