

SOUTHERN STATE SUPERANNUATION BILL – 28 April 2009

Adjourned debate on second reading.

(Continued from 8 April 2009. Page 2337.)

Mr PEDERICK (Hammond) (17:14): I rise, too, in support of the bill, which was introduced into this house on 8 April 2009 by the Hon. Tom Koutsantonis on behalf of Treasurer Kevin Foley. The bill will create an act to continue the Triple S contributory superannuation scheme for persons employed in the public sector. It will also make consequential amendments to certain other acts and repeal the Southern State Superannuation Act 1994. Consultation on our side of the house has advised that the bill proposes the replacement of the existing statute that establishes the Triple S scheme with a new act that will continue the scheme. The Triple S scheme is not being changed under this legislation.

The bill's target aim is to modernise and simplify the legislation and provide flexibility for changes to occur quickly in the future by reducing the scope of the act, but increasing the use of regulations. As mentioned by the member for Goyder, this seems quite reasonable, so as to ensure that changes can be implemented quickly in order to meet new industry standards and commonwealth requirements. I note that the member for Goyder has asked for a copy of the draft regulations so that we can see how that will be implemented.

Importantly, assurances have been given that the regulations may not reduce the amount of a person's accrued benefits. The Triple S scheme is an accumulation scheme available to persons employed in the public sector. However, changes will be made to allow for approved employers to pay employee superannuation into the scheme. For example, government funded programs such as VACSWIM will be able to utilise Triple S rather than using non-government superannuation schemes, which have higher management costs.

As at 30 June 2008, the Southern State Superannuation Scheme held \$5.9 billion in two funds, one being employee contributions, funds rolled over from other schemes and earnings, and the other being employer contributions and earnings. Under the bill this money will be held in the one fund, the Southern State Superannuation Fund.

The number of member accounts in Triple S as at 31 December 2008 was 161,560, and this included 55,400 preserved member accounts. In relation to the number of members who have selected a specific investment strategy, other than the default balanced option, as at the end of December 2008 there was about 9 per cent of the membership who took up that option.

From our briefings on this bill, it seems as though it will simplify the scheme and put it in far better order. So long as the regulations are in place, it will be a benefit for everyone involved in this with their superannuation. Superannuation funds have certainly had their battles over recent times with the global financial crisis and we can only hope that things, as far as an earning capacity, recover shortly. With those few words I support the bill.