

Metropolitan Fire Brigades Superannuation (Amendment) Bill

EXPLANATORY MEMORANDUM

Clauses 1–3 contain the usual provisions, short title, date of commencement of the Act and reference to the Principal Act.

Clause 4 provides for the seal of the Board to be authenticated by one member of the Board and an officer of the Board duly authorized by the Board.

Clause 5 provides that the triennial actuarial investigation of the Metropolitan Fire Brigades Superannuation Fund shall be undertaken by the Government Actuary or an actuary approved by the Treasurer.

Clause 6 repeals the existing leave without pay provisions.

Clause 7 provides for the salary paid to a full-time official of the United Firefighters Union to be included, subject to the Board's approval, as salary for the purposes of calculating the official's superannuation entitlements.

In addition *Clause 7* introduces new leave without pay provisions which are consistent with those prevailing in other public sector superannuation funds. The three options available are—

- (a) To pay no contributions whilst on leave without pay. If this option is chosen the period of leave without pay is not recognized for superannuation purposes.
- (b) To pay half contributions whilst on leave without pay. If this option is chosen the contributor maintains entitlements for death and disability benefits for the period of the leave but does not have the period included for purpose of calculating retirement benefits.
- (c) To pay three and a half times contributions whilst on leave without pay. If this option is chosen the contributor has the period of leave without pay included for the purposes of calculating all benefits under the Act.

A transitional clause is included to provide all persons who are on leave without pay on the date the Act comes into operation with the same options as a person who goes on leave without pay after the date of the Act coming into operation.

Clause 8 alters the present provisions relating to payments to the Metropolitan Fire Brigades Superannuation Fund. The rate of contributions by the Fire Brigades Board shall now be fixed regularly and shall be at a maximum rate of 21 per centum as opposed to the current maximum of 13 per centum. The Board shall also make payments to the Fund in respect of contributors who are on sick leave without pay. The amendment also provides for the United Firefighters Union to pay the employer contribution in respect of contributors who are absent on leave without pay to act as full-time officials of the Union.

