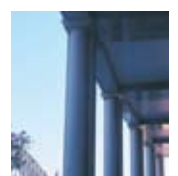


Superannuation Administration Corporation  
trading as

# Pillar Administration

Annual Report 2007/08



# Part B – Detailed Corporate Information

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## Corporate Governance

### Enabling Legislation

The *State Owned Corporations Act 1989 (NSW)* (the "SOC Act") provides for the establishment and operation of Government enterprises as State owned corporations. It sets out amongst many other matters, the objectives of State owned corporations, the powers of Ministers and provisions for reporting.

The *Superannuation Administration Authority Corporatisation Act 1999 (NSW)* established the Superannuation Administration Corporation ("the Corporation") as a statutory State owned corporation, defines the business of the Corporation and sets out special provisions for the management of the Corporation which supersede provisions in the SOC Act.

A *Memorandum and Articles of Association* for the Corporation with effect from 26 July 1999, the date of establishment of the Corporation, was executed by the then Premier and Treasurer as Shareholding Ministers.

### Oversight of the Corporation by the NSW Government

Oversight of the Corporation by the NSW Government is carried out through a Portfolio Minister in terms of section 20I of the SOC Act and two Voting Shareholders of the Corporation in terms of section 20H of the same Act.

Legislatively required reporting, in addition to this Annual Report, includes providing a Statement of Corporate Intent each year to the Shareholding Ministers, supported by a confidential business plan, risk analysis and financial projections. This is complemented by quarterly reports on performance. The Corporation also provides this material to the Portfolio Minister.

The Corporation is subject to external audit by the Auditor-General and is also subject to the review powers of a number of other Government entities, such as the NSW Ombudsman and the Independent Commission Against Corruption.

### The Portfolio Minister

The Portfolio Minister in terms of s.20I of the *State Owned Corporations Act 1989 (NSW)* at 30 June 2008 was:

- The Hon. John Watkins, MP, Deputy Premier, Minister for Finance.

At the date of publication, the Portfolio Minister was the Hon. Joseph Tripodi, MP, Minister for Finance.

### The Shareholding Ministers

The Voting Shareholders of the Corporation in terms of s.20H of the *State Owned Corporations Act 1989* at 30 June 2008 were:

- The Hon. Michael Costa, MLC, Treasurer; and
- The Hon. John Della Bosca, MLC, Minister for Education and Training.

At the date of publication, the Voting Shareholders were:

- The Hon. Eric Roozendaal, MLC, Treasurer; and
- The Hon. Carmel Tebbutt, MP, Deputy Premier, Minister for Commerce, Minister for Climate Change and the Environment.

### The Corporation's Board

The Board has statutory authority under the above-mentioned legislation to manage the Corporation and is the entity that reports to Shareholding Ministers and to which directions may be issued by the Portfolio Minister. Further details of the Board are set out in the next section of this Report.

## The Board

### The Directors

The Board consists of at least three and no more than six non-executive Directors and the Chief Executive Officer. The Chairman is a non-executive Director. The Board meets at least monthly and monitors corporate performance and key issues through formal processes such as monthly reports from management, through discussions with stakeholders and through various informal means open to the Directors.

Each of the non-executive Directors of the Corporation was appointed to the Board by the Voting Shareholders pursuant to clause 15.2 of the *Memorandum and Articles of Association* of the Corporation. In combination, the non-executive Directors bring to the Board qualifications, skills and experience in, or relevant to, the superannuation and finance industries, private and public sector management, information technology and employee and industrial relations. The Directors of the Corporation are listed below, with the date and term of appointment stated for each non-executive Director, along with an outline of each Director's professional background.

**Dr COL GELLATLY**, BAgEc (Hons) UNE, MComm (Hons) UNSW, PhD NCSU, AO, Chairman of the Board; was formerly the Director General of the NSW Premier's Department, Director General of the NSW Department of Land and Water Conservation and Director General of the NSW Department of Industrial Relations, Employment, Training and Further Education. He also has extensive experience as chairman and member of numerous government committees and boards. He is currently Chair of the Redfern Waterloo Authority, a member of the Board of State Water Corporation, a member of the University of New England Council, an Administrator for Wollongong Council and a director of the NSW Rugby



League. He was awarded an AO, Officer of the General Division in the 2008 Queen's Birthday Honours list for his services to the community as a leader in policy reform and administration in the NSW public sector. He is an ex-officio member of all the Committees of the Board.

Dr Gellatly was appointed as Chairman on 18 June 2007 for the term to 17 June 2010.

**PETER BECK**, Chief Executive Officer; is a successful financial services executive with experience in general management, sales, marketing, product management, customer service, operations, finance, actuarial, information services, strategic planning and mergers and acquisitions.



Peter joined the Colonial group in 1981, initially as an actuary. He spent over twenty years with the group, both in South Africa and then Australia, in a variety of roles. His final role with the group (by then a part of the Commonwealth Bank) was as Managing Director, Commisure, a position he held until 2005. Subsequently he provided consulting services to a range of clients. Mr Beck was appointed as Chief Executive Officer effective 2 April 2008.

**EVE CRESTANI**, Dip. Law (BAB), DPM, FAICD, Chairman of the Human Resources & Remuneration Committee; is a professional director and business consultant with a background in law and management. She sits on various financial services boards and board committees. Eve is the Chairman of Mercer Investment Nominees Limited, a director of Australian Unity and Booking.com, a member of the Disciplinary Tribunal of the Australian Securities Exchange and is Chairman of the Compliance Committees of Invesco and NavraInvest. Eve consults on strategically significant projects in Australia and Asia and



is a professional mentor to senior executives. In the latter role she helps senior executives develop as leaders. Eve is also a member of the Superannuation Compliance Committee.

Ms Crestani was first appointed to the Board on 16 October 2001 and was subsequently re-appointed for the term 16 October 2007 to 15 October 2008.

**NOEL DAVIS**, LLB, AAll, Chairman of the Superannuation Compliance Committee; is a barrister practising in Sydney. He has had extensive experience in superannuation, life insurance and tax issues for more than 30 years. Noel is a part-time member of the Superannuation Complaints Tribunal. He is a director of Trust Company Superannuation Services Limited and is chairman of its Audit, Risk and Compliance Committee. He is also a director of Count Financial Limited, a public financial planning company and is chairman of its Risk and Compliance Committee. Noel is the author of "The Law of Superannuation in Australia", a loose leaf book and is the editor of the "Australian Superannuation Law Bulletin". Noel is also a member of the Audit & Risk Management Committee.



Mr Davis was first appointed to the Board on 16 October 2001 and was subsequently re-appointed for the term 16 October 2007 to 15 October 2008.

**GLENYS ROPER**,

BA, LittB, FAICD, FAIM, Chairman of the Productivity & IT Committee; has top level experience in the public and private sectors. In the Commonwealth Government she was Chief Executive of the IT office, Executive Director in the government privatisations office and Chief Executive of the Australian Mint. In 1996 her work at the Mint won her the Channel Nine/Louis Vuitton award



for leadership and achievement. Glenys is Managing Director of Roex Management, providing advice and business development assistance in the IT and government sectors. She is a director on a number of boards and chairs a range of governance committees in the government sector. Glenys is also a member of the Audit & Risk Management Committee and the Human Resources & Remuneration Committee.

Ms Roper was first appointed to the Board on 16 October 2001 and was subsequently re-appointed for the term 16 October 2006 to 15 October 2008,

**PHILIP SMALL**,

BEc (Syd), MSc (Lond), FCPA, Chairman of the Audit & Risk Management Committee; has been involved in the insurance and banking software industry since 1985 and has a detailed knowledge of the market in the Asia Pacific region. He has held a number of senior management positions as a technology executive and was President of Computer Science Corporation (CSC)'s Financial Services Group in Asia Pacific, a position he held until 2001. Prior to CSC, Philip worked for Continuum and was responsible for their operations in Asia Pacific between 1993 and 1996. Prior to this, he worked for Paxus Corporation where he headed up their European division from 1988 to 1993 and led their expansion to become the leading provider of insurance software in Europe. Philip is a Director of FINEOS Corporation, an Irish software company. He also advises a number of other software and technology companies. Philip is also a member of the Superannuation Compliance Committee.



Mr Small was first appointed to the Board on 25 February 2005 and was subsequently re-appointed for the term 25 February 2008 to 24 February 2011.

During the 2007/08 year Peter Cormack left the Board as at the date of his resignation as CEO of the Corporation on 30 November 2007. Mr Cormack had been CEO and a Board member since 17 July 2004.

## Frequency of and Attendance at Board Meetings

The Board met ten times during 2007/08. The number of meetings attended by each Director is set out below.

Director	Possible number	Number attended
Dr Gellatly	10	9*
Ms Crestani	10	9
Mr Davis	10	9*
Ms Roper	10	10
Mr Small	10	10
Mr Beck	3	3
Mr Cormack	4	4

\* Two Directors were absent with leave granted for one Board meeting each.

## Board Committees

During the year the Board was assisted by the following Committees composed of non-executive Directors:

- the **Audit & Risk Management Committee**, which establishes accounting policies, focuses on the adequacy of the administrative, operating, risk and financial controls and oversees the work of the internal auditor;
- the **Human Resources & Remuneration Committee**, which provides high level oversight of human resources policies, strategies and remuneration;
- the **Productivity & Information Technology (IT) Committee**, which assists the Board in meeting its strategic objectives to enhance the Corporation's scalable business capability through the effective use of technology and quality, process and productivity improvements; and
- the **Superannuation Compliance Committee**, which oversees the Corporation's Compliance Program in relation to superannuation administration.

## Membership of Board Committees

The Board determines the membership of the Board Committees. Persons who are not members of the Board may be included; however executives or executive Directors of the Corporation are excluded from Committee membership. The Chairman of the Board does not chair a Board Committee.

Membership is reviewed annually to consider the need for fresh perspectives while maintaining continuity and retention of knowledge and skills.

Directors who are not members of a particular Board Committee are permitted to attend meetings of that Committee.

Invitees to Board Committee meetings may include:

- executives of the Corporation as appropriate;
- other persons providing reports or information for the Committee.

## Responsibilities and Activities of Board Committees

All Board Committees consider any matters relating to their objectives, and any matters referred by the Board.

The Board Committees seek to ensure new Committee members are adequately inducted and that all members are informed about any changes relevant to their roles including changes in statutory requirements, accounting standards or guidelines affecting financial reporting.

The Committees review their performance annually with attention directed to how well the responsibilities contained in their relevant Charters have been met.

The individual Committee Charters are reviewed and updated annually subject to Board approval.

The membership of each of the existing Committees and the activities of each in 2007/08 are outlined below.

## The Audit & Risk Management Committee

At 30 June 2008, the members of the Audit & Risk Management Committee were:

- Mr Philip Small (Chairman);
- Mr Noel Davis;
- Ms Glenys Roper; and
- Dr Col Gellatly (ex officio member).

The Board amended the name of the Audit Committee to the Audit & Risk Management Committee during 2007/08 to reflect the increased emphasis on risk management by the Corporation.

The meetings of the Committee are attended by representatives of management, external auditors and internal auditors. On occasions the Audit & Risk Management Committee met with external and internal auditors without management being present.

The Committee met six times during 2007/08. The activities of the Committee included:

- approving the Audit Plan and oversight of its implementation;
- assurance reporting to clients' Audit Committees;
- monitoring implementation of audit recommendations;
- matters related to the statutory accounts such as policy issues and matters raised by external auditors;
- monitoring the currency of the Corporation's internal controls;
- monitoring the maintenance of the Corporation's Risk Management Policy and Risk Registers;
- monitoring the adherence to the Corporation's Fraud and Corruption Prevention Strategy;
- reviewing the Corporation's Business Continuity Plan and Disaster Recovery Plan;
- reviewing the Corporation's Delegations of Authority;
- reviewing the process for the alignment of administration fees with the largely transaction based tasks performed by the Corporation; and

- reviewing various aspects of the Corporation's administration services including system access security.

## The Human Resources & Remuneration Committee

At 30 June 2008 the members of the Human Resources & Remuneration Committee were:

- Ms Eve Crestani (Chairman);
- Ms Glenys Roper; and
- Dr Col Gellatly (ex officio member).

The Committee met five times during 2007/08. The activities of the Committee included:

- performance and salary reviews of executive staff;
- monitoring the process for performance and salary review of non-Award staff;
- monitoring the progress of Award negotiations;
- executive succession planning;
- reviewing the Corporation's learning and development plans and monitoring the annual review of the Corporation's Training Plan;
- monitoring Human Resources issues such as recruitment, staff turnover and occupational health and safety;
- approving Human Resources policies including the recruitment and selection policy;
- monitoring the effectiveness of the Corporation's Equal Employment Opportunity policies and management plan;
- approving the revision of the Corporation's Employee Code of Conduct; and
- monitoring the resourcing needs for handling potential and actual new clients.

## **The Productivity & Information Technology Committee**

As at 30 June 2008 the members of the Productivity & Information Technology (IT) Committee were:

- Ms Glenys Roper (Chairman);
- Mr Philip Small; and
- Dr Col Gellatly (ex officio member).

The Committee effectively replaced the discontinued Information Technology Governance Committee.

The Committee met nine times during 2007/08. The activities of the committee included:

- oversight of the Corporation's quality, process and productivity improvement programs and measuring of results;
- assessing the adequacy of resources and information for productivity programs;
- reviewing the Corporation's IT strategy, proposed investments and associated risks and advising the Board on adequacy of resources to meet strategic objectives;
- monitoring IT projects against original budget, scope and schedule;
- ensuring that management has documented arrangements with stakeholders for agreed levels of service, standards of performance and remedies for non-performance corroborated by documented agreements with vendors regarding support arrangements; and
- reviewing and developing key performance indicators relating to the application of IT in the Corporation.

## **The Superannuation Compliance Committee**

At 30 June 2008 the members of the Superannuation Compliance Committee were:

- Mr Noel Davis (Chairman);
- Ms Eve Crestani;
- Mr Philip Small; and
- Dr Col Gellatly (ex officio member).

The Committee met six times during 2007/08 and its activities included:

- oversight of the on-going operation of the Compliance Program and organisational arrangements for compliance;
- monitoring actual compliance performance;
- monitoring the progress made towards resolving any breaches of legislative or trustee requirements;
- monitoring the Corporation's specific compliance with the requirements of its Australian Financial Services Licence;
- oversight of the Corporation's actions in response to and compliance with changed legislative requirements;
- monitoring the Compliance Assessment function within the Corporation; and
- monitoring the timeliness and accuracy of the Corporation's resolution of complaints received in relation to its provision of administration services.

## Management

### The Chief Executive Officer

The Chief Executive Officer (CEO) of the Corporation is appointed by the non-executive Directors after consultation with the Voting Shareholders.

**Mr Peter Cormack**, who had been CEO from 17 July 2004, resigned effective 30 November 2007. **Mr Peter Beck** was appointed as CEO effective from 2 April 2008.

### The Executive Structure

The senior management positions in the Corporation make up the **Executive Committee**. The positions that as at 30 June 2008 comprised the Executive Committee and the occupants of those positions during 2007/08 are set out below.

Position	Occupant	Period employed during year
Chief Executive Officer	Mr Peter Cormack	Up to 30 November 2007 (resigned)
	Mr Peter Beck	From 2 April 2008
General Manager - Finance & Administration	Mr Eric Lo	Whole year
General Manager - Information Technology & Business Systems	Ms Fiona Abercrombie	Whole year
General Manager - Projects & Transition	Mr John Trent	Up to 4 December 2007 (resigned)
General Manager - Marketing & Business Development	Mr Mark Luciano	Whole year
General Manager - Human Resources	Ms Mandy Varley-Mason	Up to 15 January 2008 (resigned)
Manager – Human Resources	Mr Dave Allen	From 31 March 2008
Company Secretary	Ms Jane Byrne	Whole year
Manager – Public Sector Business	Mr Patrick McGoulrick	Whole year
Manager – Private Sector Business	Mr Christopher Woodward	Whole year
Manager – Compliance	Mr Bill Morris	Whole year
Manager – Contact Centre	Ms Marion Fryer	Up to 21 September 2007 (resigned)
	Ms Antonietta Martino	From 3 December 2007

During the 2007/08 year the Executive Committee met at least monthly for information sharing and the consideration of key issues facing management.

Note: The Organisation Chart of the Corporation (hereafter in Part B referred to as Pillar), including the main functions of the organisational divisions is set out in this Annual Report in Part A – The Business.

## Other Committees

To assist with monitoring, decision-making and organisational functioning, Pillar has various specific purpose committees. As at 30 June 2008 these included:

- the **Operational Effectiveness and Quality Assurance Review Committee**: chaired by the Manager – Compliance and comprised of senior managers including the CEO, this committee's terms of reference include reviewing the operational structure, efficiency and controls of major processes;
- the **Project Priority & Management Committee**: comprised of all Executive Committee members with other managers co-opted as required, with the purpose of approving and monitoring on-going management of all major project work within Pillar;
- the **Management Committee**: comprised of senior and middle management staff, who share information, particularly in relation to the general operations of Pillar;
- the **Fraud & Corruption Prevention Committee**: comprised of all Executive Committee members, with the purpose of monitoring incidents of suspected fraud or corruption or circumstances that may lead to fraudulent acts and to consider and implement strategies to decrease the likelihood of fraudulent practices; and
- the **Occupational Health & Safety Committee**: composed mainly of non-managerial staff, with the purpose of monitoring occupational health and safety issues.

## The Joint Consultative Committee

The **Joint Consultative Committee** provides a forum for discussion between management and the representatives of employees and employee associations. Its meetings are generally held every three months and it draws its membership from amongst Pillar's executive group, employee representatives and representatives of the Public Service Association.

## Executive Remuneration

### Executives with Remuneration Packages over \$219,701

During the 2007/08 year actual remuneration in excess of \$219,701 (equivalent to the minimum remuneration package for Senior Executive Service Level 5 executives) was paid or payable to the following three executives (currently employed by Pillar at 30 June 2008):

- **Mr Peter Beck**, Chief Executive Officer;
- **Mr Eric Lo**, General Manager - Finance & Administration;
- **Ms Fiona Abercrombie**, General Manager - Information Technology & Business Systems.

Performance statements for the executives listed above are provided below as required by *the Annual Reports (Statutory Bodies) Regulation 2005 (NSW)*.

### Performance Statements

<b>Name:</b>	<b>Peter Beck</b>
<b>Position:</b>	Chief Executive Officer
<b>Remuneration package paid or due and payable for year:</b>	\$350,000
<b>Performance pay:</b>	None in relation to the 2007/08 financial year.
<b>Period:</b>	2 April 2008 – 30 June 2008
<b>Performance Targets Achieved:</b>	<p>Tasks set by the Board for the Chief Executive Officer (CEO) and achieved successfully in the applicable period in 2007/08:</p> <ul style="list-style-type: none"> <li>■ Provide effective strategic leadership of Pillar;</li> <li>■ Retain existing clients and grow the business by the addition of new clients in selected markets;</li> <li>■ Ensure that the business remains profitable;</li> <li>■ Ensure that Pillar's Compliance Program, business processes and procedures continue to meet the obligations of the organisation's Australian Financial Services Licence;</li> <li>■ Continue to provide high quality services to clients, at the agreed standards, in what is a continually changing, challenging and complex legislative environment;</li> <li>■ Lead, coach and skill staff to meet ongoing business requirements and provide development opportunities for individuals wherever possible;</li> <li>■ Manage key stakeholder relationships; and</li> <li>■ Actively engage with the local community in which Pillar operates in the Illawarra.</li> </ul>

## Executive Remuneration (*continued*)

<b>Name:</b>	<b>Eric Lo</b>
<b>Position:</b>	General Manager - Finance & Administration
<b>Remuneration package paid or due and payable for year:</b>	\$267,155
<b>Performance pay:</b>	\$13,000 paid during 2007/08 for contributing to the improved organisation performance during the 2007/08 financial year.
<b>Period:</b>	1 July 2007 – 30 June 2008
<b>Performance Targets Achieved:</b>	<p>Tasks set by the CEO for the General Manager - Finance &amp; Administration and achieved successfully in 2007/08:</p> <ul style="list-style-type: none"> <li>■ Manage the accounting, taxation and finance functions for both Pillar and its clients;</li> <li>■ Meet statutory and taxation reporting requirements;</li> <li>■ Manage profit performance and forecasted returns for shareholders;</li> <li>■ Implement Australian equivalents to International Financial Reporting Standards (AIFRS) for the reporting of both Pillar and its clients;</li> <li>■ Continue process improvements to enhance operational effectiveness and cost efficiency; and</li> <li>■ Perform due diligence reviews on new business and major transactions.</li> </ul>

## Executive Remuneration (continued)

<b>Name:</b>	<b>Fiona Abercrombie</b>
<b>Position:</b>	General Manager - Information Technology & Business Systems
<b>Remuneration package paid or due and payable for year:</b>	\$228,197
<b>Performance pay:</b>	\$9,000 paid during 2007/08 for contributing to the improved organisation performance during the 2007/08 financial year.
<b>Period:</b>	1 July 2007 – 30 June 2008
<b>Performance Targets Achieved:</b>	<p>Tasks set by the CEO for the General Manager - Information Technology &amp; Business Systems and achieved successfully in 2007/08:</p> <ul style="list-style-type: none"> <li>■ Ensure appropriate governance across all aspects of Information Communications and Technology (ICT), including disaster recovery planning;</li> <li>■ Manage risk, compliance, integrity and security across Pillar's Information Technology (IT) systems;</li> <li>■ Cost management and productivity improvements across ICT;</li> <li>■ Mitigate supplier risk and manage vendor agreements;</li> <li>■ Business acceptance and implementation of all ICT solutions;</li> <li>■ Ensure effective IT plans are in place to meet existing and new business requirements; and</li> <li>■ Deliver technology &amp; communication solutions to meet business requirements for clients.</li> </ul>

### Number of Executive Officers

The following figures disclose the number of executive officers employed at the close of the year with an annual remuneration package equal to or greater than the minimum remuneration package for Senior Executive Service Level 1 executives (\$141,250).

<b>Date</b>	<b>Female</b>	<b>Male</b>
30 June 2008	2	6
30 June 2007	2	5

**Note:** These figures include Information Technology managers.

## Equal Employment Opportunity Information

### Equal Employment Opportunity (EEO) Achievements

Pillar is an equal opportunity employer that has integrated Equal Employment Opportunity (EEO) practices into all areas of the workplace, thereby creating an environment where staff are valued and have the opportunity to contribute and develop to their fullest potential. The merit principle is applied to all recruitment, selection, promotion, training and other employment-related opportunities.

Pillar's EEO strategy for the upcoming year includes continual encouragement for persons with disabilities and persons of Aboriginal & Torres Strait Islander background to apply for positions. An example of the strategy in practice is Pillar's development of an indigenous cadetship with a view to providing indigenous people with career opportunities within the organisation.

### Statistical Information for EEO Groups

**Table A. Trends in the Representation of EEO Groups**

EEO GROUP	% of Total Staff				
	Benchmark or Target	2005	2006	2007	2008
Women	50%	64%	65%	67%	69%
Aboriginal people and Torres Strait Islanders	2%	1%	1%	0.8%	0.7%
People whose first language was not English	20%	19%	19%	21%	20%
People with a disability	12%	3%	3%	2%	3%
People with a disability requiring work-related adjustment	7%	0.2%	2.6%	0%	2.9%

**Table B. Trends in the Distribution of EEO Groups**

EEO GROUP	Distribution Index				
	Benchmark or Target	2005	2006	2007	2008
Women	100	72	71	70	70
Aboriginal people and Torres Strait Islanders	100	n/c	n/c	n/c	n/c
People whose first language was not English	100	102	98	98	92
People with a disability	100	n/c	n/c	n/c	n/c
People with a disability requiring work-related adjustment	100	n/c	n/c	n/c	n/c

#### NOTES

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.

2. n/c = Not Calculated. The Distribution Index is not calculated where EEO group or non-EEO group numbers are less than 20.

## Consumer Response

### Complaints

There was just one complaint made to Pillar during 2007/08 that was not related to the superannuation funds and schemes that Pillar provides administration services for.

Pillar reports details of the complaints received in relation to each fund or scheme that it administers to the trustees of the funds and schemes.

### Public Sector Superannuation Schemes

By arrangement with its public sector trustee client, SAS Trustee Corporation, Pillar's Annual Report includes statistics on complaints it received relating to the NSW public sector superannuation schemes. There were 148 individual complaints about particular situations recorded for the year ended 30 June 2008 applicable to the public sector schemes that Pillar administers. A statistical breakdown by category is shown below.

Category of Complaint	Number of Complaints
Application of policy	9
Administrative issues	139
Investment	0
Insurance	0
Incorrect data from external provider	0
<b>Total</b>	<b>148</b>

*Note: The number of public sector scheme members (including pensioners) as at 30 June 2008 was 142,959.*

There was one complaint received in 2007/08 in relation to an administration issue concerning the NSW Parliamentary Contributory Superannuation Fund.

The definition of a complaint for reporting purposes is "a written or oral expression of dissatisfaction which requires a response". Managers review the handling of complaints on a sample basis and this includes follow-up contact with the person who complained. All complaints are analysed to determine if there is a systemic cause and if that is

the case, corrective and preventive action is implemented. Staff and managers are encouraged to recognise and highlight complaints that show the need for changes to scheme literature, standard letters, systems, procedures and practices.

### Disputes and Appeals

The dispute and appeal processes for the public sector schemes, which are formally exempt from compliance with the provisions of the *Superannuation Industry (Supervision) Act 1993 (Cth)* are administered by the trustees of the public sector schemes and are covered in their Annual Reports.

The Superannuation Complaints Tribunal (SCT) is the independent tribunal set up by the Commonwealth Government to deal with complaints made to all superannuation funds that are subject to the provisions of the *Superannuation Industry (Supervision) Act 1993 (Cth)*.

## Freedom of Information

### Freedom of Information (FOI) Statement of Affairs

Every agency covered by the *Freedom of Information Act 1989 (NSW)* is required by the Act to publish an annual Statement of Affairs. The Statement has to describe the structure and functions of the agency, the categories of documents held and how to obtain access to the documents.

### Structure and functions of Pillar

The Superannuation Administration Corporation, trading as Pillar Administration, was created as a statutory State owned corporation with effect from 26 July 1999 by the *Superannuation Administration Authority Corporatisation Act 1999 (NSW)*. The *Freedom of Information Act 1989 (NSW)* includes statutory State owned corporations in its definition of an agency.

Pillar's structure, functions and statutory objectives are set out in this Annual Report at Part A – The Business. The functions of Pillar only affect those members of the public who are members or beneficiaries of the superannuation schemes that Pillar provides administration and related services for.

### Documents held by Pillar

Pillar holds the following policy documents, some on behalf of the SAS Trustee Corporation (STC), which is also an agency to which the *Freedom of Information Act 1989 (NSW)*. Pillar administers various NSW public sector superannuation schemes for STC.

The documents listed below are available free of charge upon request.

- **All STC Schemes Policy Register.** This document contains policies covering various matters affecting STC schemes.
- **State Authorities Superannuation Scheme (SASS) Policy Register.** This document contains policies made by STC under the *State Authorities Superannuation Act 1987 (NSW)*.
- **State Superannuation Scheme (SSS) Policy Register.** This document

contains policies made by STC under the *Superannuation Act 1916 (NSW)*.

- **Police Superannuation Scheme (PSS) Policy Register.** This document contains policies made by STC under the *Police Regulation (Superannuation) Act 1906 (NSW)*.
- **State Authorities Non-contributory Superannuation Scheme (SANCS – Basic Benefit) Policy Register.** This document contains policies made by STC under the *State Authorities Non-contributory Superannuation Act 1987 (NSW)*.
- **Pillar's Conflicts of Interest Policy.**
- **Pillar's Equal Employment Opportunity Policy Statement.**
- **Pillar's Fraud & Corruption Prevention Policy.**
- **Pillar's Privacy Policy.**
- **Pillar's Protected Disclosures Policy.**
- **Pillar's FOI Statement of Affairs and Summary of Affairs.**

*Note: No policy document relating to FSS Trustee Corporation (FTC) is listed above. FTC was incorporated as a proprietary company limited by shares and registered under the Corporations Act 2001 (Cth) on 1 May 2006 and from that date is no longer an agency to which the Freedom of Information Act 1989 (NSW) applies.*

### Procedures for access or amendments to documents or member records

Member records contain personal information about individual members of the various public sector superannuation schemes that Pillar administers. 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. The information is stored on computer and on microfiche and is held by Pillar on behalf of the trustee of the schemes.

A scheme member may contact Pillar's Freedom of Information (FOI) Co-ordinator if they want to view or amend any personal information Pillar holds about them. Requests to amend personal information may directly or indirectly affect benefits payable

from the applicable scheme, so Pillar may require proof of the amended information.

The *Freedom of Information Act 1989 (NSW)* provides that FOI applications must be processed within 21 days. This time period may be extended in special circumstances, for example, if there is a need to consult third parties. If this is the case, the applicant will be advised in writing.

Requests under the *Freedom of Information Act 1989 (NSW)* for inspection of or to obtain copies of accessible documents and/or to view member records and personal information can be made to:

The Freedom of Information Coordinator  
Pillar Administration  
Locked Bag 1229,  
Wollongong NSW, 2500  
Telephone (02) 4298 6478 or  
Facsimile (02) 4298 6688.

When prior arrangements have been made documents may be inspected between the hours of 10am and 4pm at Pillar Administration, 5 Old Springhill Road, Coniston, or at level 18, 83 Clarence Street, Sydney.

## Charges for FOI applications

Nature of Application	Application Fee*	Processing Charge*
Request for access to personal documents	\$30	First 20 hours free, then \$30 per hour
Request for access to non-personal documents	\$30	\$30 per hour
Application for review of decision	\$40	Nil

*\*50% reduction for financial hardship and public interest reasons*

There is no fee for requests to amend a record or for a notation to be added to a personal record.

When processing an FOI 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 the application.

## FOI Statistics 1 July 2007 to 30 June 2008

**Required Information for 2007/08** (The relevant statistics for 2006/07 are also set out for comparative purposes)

### Section A - New FOI Applications

How many FOI applications were received, discontinued or completed?	Number of FOI Applications					
	Personal		Other		Total	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
A1 New	536	<b>422</b>	0	<b>0</b>	536	<b>422</b>
A2 Brought Forward	33	<b>33</b>	0	<b>0</b>	33	<b>33</b>
<b>A3 Total to be processed</b>	569	<b>455</b>	0	<b>0</b>	569	<b>455</b>
A4 Completed	536	<b>422</b>	0	<b>0</b>	536	<b>422</b>
A5 Discontinued	0	<b>10</b>	0	<b>0</b>	0	<b>10</b>
<b>A6 Total Processed</b>	536	<b>432</b>	0	<b>0</b>	536	<b>432</b>
A7 Unfinished (carried forward)	33	<b>23</b>	0	<b>0</b>	33	<b>23</b>

### Section B – Discontinued Applications

Why were FOI applications discontinued?	Number of <u>Discontinued</u> FOI Applications					
	Personal		Other		Total	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
B1 Request transferred out to another Agency (s.20)	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
B2 Applicant withdrew request	0	<b>2</b>	0	<b>0</b>	0	<b>2</b>
B3 Applicant failed to pay advance deposit (s.22)	0	<b>8</b>	0	<b>0</b>	0	<b>8</b>
B4 Applicant failed to amend a request that would have been an unreasonable diversion of resources to complete (s.25(1)(a1))	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
<b>B5 Total Discontinued</b>	0	<b>10</b>	0	<b>0</b>	0	<b>10</b>

## Section C – Completed Applications

What happened to completed FOI applications?

### Number of Completed FOI Applications

	Personal		Other		Total	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
C1 Granted or otherwise available in full	249	<b>169</b>	0	<b>0</b>	249	<b>169</b>
C2 Granted or otherwise available in part	214	<b>227</b>	0	<b>0</b>	214	<b>227</b>
C3 Refused	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
C4 No documents held	73	<b>26</b>	0	<b>0</b>	73	<b>26</b>
<b>C5 Total Completed</b>	<b>536</b>	<b>422</b>	<b>0</b>	<b>0</b>	<b>536</b>	<b>422</b>

## Section D – Applications Granted or Otherwise Granted in Full

How were the documents made available to the applicant?

### Number of FOI Applications (granted or otherwise available in full)

	Personal		Other		Total	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
<b>All documents requested were:</b>						
D1 Provided to the applicant	243	<b>167</b>	0	<b>0</b>	243	<b>167</b>
D2 Provided to the applicant's medical practitioner	6	<b>2</b>	0	<b>0</b>	6	<b>2</b>
D3 Available for inspection	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
D4 Available for purchase	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
D5 Library material	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
D6 Subject to deferred access	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
D7 Available by a combination of any of the reasons listed in D1-D6 above	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
<b>D8 Total granted or otherwise available in full</b>	<b>249</b>	<b>169</b>	<b>0</b>	<b>0</b>	<b>249</b>	<b>169</b>

**Section E – Applications Granted or Otherwise Granted in Part**

How were the documents made available to the applicant?	Number of FOI Applications (granted or otherwise available in part)					
	Personal		Other		Total	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
<b>All documents requested were:</b>						
E1 Provided to the applicant	205	<b>222</b>	0	<b>0</b>	205	<b>222</b>
E2 Provided to the applicant's medical practitioner	9	<b>5</b>	0	<b>0</b>	9	<b>5</b>
E3 Available for inspection	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
E4 Available for purchase	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
E5 Library material	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
E6 Subject to deferred access	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
E7 Available by a combination of any of the reasons listed in E1-E6 above	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
<b>E8 Total granted or otherwise available in full</b>	214	<b>227</b>	0	<b>0</b>	214	<b>227</b>

**Section F – Refused FOI Applications**

Why was access to the documents refused?	Number of Refused FOI Applications					
	Personal		Other		Total	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
F1 Exempt	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
F2 Deemed refused	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
<b>F3 Total refused</b>	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>

## Section G – Exempt Documents

Why were the documents classed as exempt?	Number of FOI Applications (refused or access granted or otherwise available in part only)					
	Personal		Other		Total	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
<b>Restricted Documents:</b>						
G1 Cabinet documents (clause 1)	0	0	0	0	0	0
G2 Executive Council documents (clause 2)	0	0	0	0	0	0
G3 Documents affecting law enforcement and public safety (clause 4)	0	0	0	0	0	0
G4 Documents affecting counter terrorism measures (clause 4A)	0	0	0	0	0	0
<b>Documents Requiring Consultation:</b>						
G5 Documents affecting inter-governmental relations (clause 5)	0	0	0	0	0	0
G6 Documents affecting personal affairs (clause 6)	197	223	0	0	197	223
G7 Documents affecting business affairs (clause 7)	1	2	0	0	1	2
G8 Documents affecting the conduct of research (clause 8)	0	0	0	0	0	0

**Section G – Exempt Documents** *(continued)*

<b>Documents otherwise exempt:</b>	<b>Number of FOI Applications (refused or access granted or otherwise available in part only)</b>					
	<b>Personal</b>		<b>Other</b>		<b>Total</b>	
	<b>2006/07</b>	<b>2007/08</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2006/07</b>	<b>2007/08</b>
G9 Schedule 2 Exempt agency	0	0	0	0	0	0
G10 Documents containing information confidential to Olympic Committees (clause 22)	0	0	0	0	0	0
G11 Documents relating to threatened species, Aboriginal objects or Aboriginal places (clause 23)	0	0	0	0	0	0
G12 Documents relating to threatened species conservation (clause 24)	0	0	0	0	0	0
G13 Plans of management containing information of Aboriginal significance (clause 25)	0	0	0	0	0	0
G14 Private documents in public library collections (clause 19)	0	0	0	0	0	0
G15 Documents relating to judicial functions (clause 11)	0	0	0	0	0	0
G16 Documents subject to contempt (clause 17)	0	0	0	0	0	0
G17 Documents arising out of companies and securities legislation (clause 18)	0	0	0	0	0	0

**Section G – Exempt Documents** *(continued)*

<b>Documents otherwise exempt: (continued)</b>	<b>Number of FOI Applications (refused or access granted or otherwise available in part only)</b>					
	<b>Personal</b>		<b>Other</b>		<b>Total</b>	
	<b>2006/07</b>	<b>2007/08</b>	<b>2006/07</b>	<b>2007/08</b>	<b>2006/07</b>	<b>2007/08</b>
G18 Exempt documents under inter-state FOI legislation (clause 21)	0	0	0	0	0	0
G19 Documents subject to legal professional privilege (clause 10)	16	2	0	0	16	2
G20 Documents containing confidential material (clause 13)	0	0	0	0	0	0
G21 Documents subject to secrecy provisions (clause 12)	0	0	0	0	0	0
G22 Documents affecting the economy of the State (clause 14)	0	0	0	0	0	0
G23 Documents affecting financial or property interests of the State or an agency (clause 15)	0	0	0	0	0	0
G24 Documents concerning operations of agencies (clause 16)	0	0	0	0	0	0
G25 Internal working documents (clause 9)	0	0	0	0	0	0
G26 Other exemptions (eg clauses 20, 22A and 26)	0	0	0	0	0	0
<b>G27 Total applications including exempt documents</b>	214	<b>227</b>	0	<b>0</b>	214	<b>227</b>

**Section H – Ministerial Certificates (s.59)**

How many Ministerial Certificates were issued?	Number of Ministerial Certificates	
	2006/07	2007/08
H1 Ministerial Certificates issued	0	0

**Section I – Formal Consultation**

How many formal consultations were conducted?	Number of Formal Consultations	
	2006/07	2007/08
I1 Number of applications requiring formal consultation	1	4
I2 Number of persons formally consulted	1	1

**Section J – Amendment of Personal Records**

How many applications for amendment of personal records were agreed or refused?	Number of Applications for Amendment of Personal Records	
	2006/07	2007/08
J1 Agreed in full	0	0
J2 Agreed in part	0	0
J3 Refused	0	0
<b>J4 Total</b>	<b>0</b>	<b>0</b>

**Section K – Notation of Personal Records**

How many applications for notation of personal records were made (s.46)?	Number of Applications for Notation	
	2006/07	2007/08
K1 Application for notation	1	0

**Section L – Fees and Costs**

What fees were assessed and received for FOI applications processed (excluding applications transferred out)?	Assessed Costs		Fees Received	
	2006/07	2007/08	2006/07	2007/08
L1 All completed applications	\$110,000	\$120,000	\$15,105	\$13,620

**Section M – Fee Discounts**

How many fee waivers or discounts were allowed and why?	Number of FOI Applications (where fees were waived and discounted)					
	Personal		Other		Total	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
M1 Processing fees waived in full	0	0	0	0	0	0
M2 Public interest discounts	0	0	0	0	0	0
M3 Financial Hardship discounts – pensioner or child	1	2	0	0	1	2
M4 Financial hardship discounts – non profit organisation	0	0	0	0	0	0
<b>M5 Total</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>

**Section N – Fee Refunds**

How many fee refunds were granted as a result of significant correction of personal records?	Number of Refunds	
	2006/07	2007/08
N1 Number of fee refunds granted as a result of significant correction of personal records	0	0

**Section O – Days Taken to Complete Requests**

How long did it take to process completed applications?	Number of <u>Completed</u> FOI Applications					
	Personal		Other		Total	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
O1 0-21 days – statutory determination period	520	<b>336</b>	0	<b>0</b>	520	<b>336</b>
O2 22-35 days –extended statutory determination period for consultation or retrieval of archived records (s.59B)	16	<b>86</b>	0	<b>0</b>	16	<b>86</b>
O3 Over 21 days – deemed refusal where no extended determination period applies	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
O4 Over 35 days – deemed refusal where extended determination period applies	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
<b>O5 Total</b>	<b>536</b>	<b>422</b>	<b>0</b>	<b>0</b>	<b>536</b>	<b>422</b>

**Section P – Processing Time: Hours**

How long did it take to process completed applications?	Number of <u>Completed</u> FOI Applications					
	Personal		Other		Total	
	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08
P1 0-10 hours	508	<b>390</b>	0	<b>0</b>	508	<b>390</b>
P2 11-20 hours	25	<b>31</b>	0	<b>0</b>	25	<b>31</b>
P3 21-40 hours	3	<b>1</b>	0	<b>0</b>	3	<b>1</b>
P4 Over 40 hours	0	<b>0</b>	0	<b>0</b>	0	<b>0</b>
<b>P5 Total</b>	<b>536</b>	<b>422</b>	<b>0</b>	<b>0</b>	<b>536</b>	<b>422</b>

**Section Q – Number of Reviews**

How many reviews were finalised?	Number of Completed Reviews	
	2006/07	2007/08
Q1 Internal reviews	1	<b>1</b>
Q2 Ombudsman reviews	0	<b>0</b>
Q3 ADT reviews	0	<b>0</b>

## Section R – Results of Internal Reviews

### What were the results of internal reviews finalized?

Grounds on which the internal review was requested	Number of Internal Reviews					
	Personal		Other		Total	
	Original Agency Decision <b>Upheld</b>	Original Agency Decision <b>Varied</b>	Original Agency Decision <b>Upheld</b>	Original Agency Decision <b>Varied</b>	Original Agency Decision <b>Upheld</b>	Original Agency Decision <b>Varied</b>
R1 Access refused	1	0	0	0	1	0
R2 Access deferred	0	0	0	0	0	0
R3 Exempt matter deleted from documents	0	0	0	0	0	0
R4 Unreasonable charges	0	0	0	0	0	0
R5 Failure to consult with third parties	0	0	0	0	0	0
R6 Third parties views disregarded	0	0	0	0	0	0
R7 Amendment of personal records refused	0	0	0	0	0	0
<b>R8 Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>

### Assessment of FOI Information

The number of FOI requests received by Pillar decreased from 536 in 2006/07 to 422 in 2007/08.

The FOI requirements have not unduly impacted upon the activities of Pillar during the year but they do occupy a significant portion of the applicable staff's time.

No major issues arose in connection with Pillar's FOI compliance in 2007/08. Further, there were no investigations under the *Freedom of Information Act* by the NSW Ombudsman in relation to Pillar, nor were there any applications to the ADT for review of any decisions of Pillar in relation to FOI, in the 2007/08 year.

## Compliance with Specific Policies

### Disability Action Plan

Pillar provides flexible communication options to cater for clients and staff with specific needs. When providing customer services any special client needs are met on a case by case basis. Pillar has an action plan in place to enable it to actively seek to employ persons with disabilities.

### Electronic Service Delivery

Pillar continues to meet the Government's targets for electronic service delivery, both itself and for its major clients. This has resulted in:

- all appropriate publications being available on the internet;
- all appropriate high volume transactions conducted via the internet; and
- all other appropriate transactions conducted via the internet.

### Employee Code of Conduct

Pillar has a detailed Employee Code of Conduct. All staff are required to sign the Code of Conduct when they first join Pillar and to annually re-confirm that commitment. The Code of Conduct covers compliance with all Pillar's policies, rules and procedures, including the following:

- Conflicts of Interest policy;
- Fraud and Corruption Prevention policy;
- Respectful Workplace policy;
- Occupational Health & Safety responsibilities;
- Privacy Policy;
- Protected Disclosures policy; and
- Other policies and guidelines covering building security procedures, electronic messaging and media guidelines for staff, virus protection and workstation access security.

## Ethnic Affairs Priorities Statement

Pillar has a continuing commitment to the principles of multiculturalism as contained in the *Community Relations Commission and Principles of Multiculturalism Act 2000 (NSW)*.

Ethnic diversity and the principles of multiculturalism are particularly relevant to Pillar in the following broad areas:

- **Customer service:** The ethnic diversity of Australia is reflected within the populations of members of superannuation funds that Pillar administers on behalf of trustee clients. Pillar is the main point of contact for fund members in relation to their superannuation and this has implications in relation to cultural and language differences.
- **Staff:** Pillar is physically located in both Sydney and the greater Wollongong area and draws on an ethnically diverse population for its workforce. This has particular implications for ensuring equal employment and promotion opportunities, and respect for others regardless of gender and ethnicity.
- **Benefits of diversity within Pillar:** Pillar and its trustee clients benefit from the highly multifaceted diversity within Pillar's staff. We have a culturally and linguistically diverse workforce and direct, measurable benefits arise from the substantial number of multi-lingual staff who are able to assist with interpreter functions and who also are sensitive to cultural differences. Less easy to measure but profound are the benefits arising from the richness of perspectives and backgrounds that ethnic diversity brings to any workforce.

Pillar has an Ethnic Affairs Action Plan that contains a number of on-going initiatives:

- a strong commitment by the CEO and the Executive Committee to the principle of multiculturalism;
- promoting understanding of multiculturalism within the organisation;
- ensuring access to information services; and
- ensuring equality of opportunity based on merit within Pillar.

Pillar has met its performance indicators in relation to the above-mentioned initiatives in the past year and aims to continue to do so in future.

### Heritage Management

Pillar has established a Heritage and Conservation Register as required by the provisions of the *Heritage Act 1977 (NSW)*. As at 30 June 2008, there were no items of the environmental heritage that were required to be listed by Pillar in the Register. The Heritage Council has not issued any guidelines to Pillar about any items of the environmental heritage.

### NSW Government's Action Plan for Women

The NSW Government's Action Plan for Women focuses on a range of issues including: equitable and safe workplaces for women; the interest of women in economic reform; and access for women to education and training. Relevant policies in relation to the funds and schemes administered by Pillar are the responsibility of its trustee clients.

In relation to internal staff, Pillar's policies and practices are intended to ensure equitable and safe workplaces and equality of opportunity.

### NSW Government Energy Management Policy

Pillar is committed to the principles of the NSW Government Energy Management Policy, thereby contributing to NSW's broad environmental outcomes whilst pursuing good business practice.

### Occupational Health and Safety

An active Occupational Health and Safety Committee meets regularly within Pillar to ensure that occupational health and safety (OH&S) issues are identified and communicated to management. Members of the Committee provide OH&S advice to staff, conduct regular workplace inspections and provide reports on any remedial action required. Eight (8) Workers' Compensation claims were submitted to Pillar's insurers during 2007/08. There were no prosecutions under the *Occupational Health and Safety Act 2000 (NSW)* involving Pillar in the 2007/08 year.

### Privacy Policy

Pillar's Privacy Policy sets out its commitment to best practice privacy standards and its objective of compliance with the requirements of the *Privacy Act 1988 (Cth)* and the National Privacy Principles contained therein. Additionally, Pillar is contractually obligated to comply with the Privacy Management Plan of the trustee of the NSW public sector superannuation schemes that it administers.

This Privacy Management Plan sets out the requirements of the *Privacy and Personal Information Protection Act 1998 (NSW)* that Pillar, as the administrator of the schemes, is obligated to comply with, although as a State owned corporation Pillar is technically exempted from the NSW privacy legislation.

## Waste Reduction and Purchasing Plan

Pillar is committed to waste reduction and recycling and has produced a Waste Reduction and Purchasing Plan. Practices consistent with the policy are firmly established in business processes. This has reduced paper products used by Pillar and, through E-Business initiatives, by other organisations as well. The key requirements are that:

- Information Technology and other technologies as appropriate are used to the optimum extent to reduce paper needs in Pillar, bearing in mind cost and quality criteria;
- office consumables with recycled content are purchased where these are readily available and meet cost and quality criteria;
- paper and cardboard waste that meets recycling criteria, as advised from time to time, and toner cartridges are placed in designated containers for recycling; and
- other suitable materials are recycled as advised from time to time.

Employees are required to comply with the policy and would be aware that the policy reflects corporate practices that have been in place for some time. New employees are made aware of the practices as part of the standard induction program.

## Additional Financial Related Data

### Expenditure on Consultants during 2007/08

Pillar's expenditure on consultants during 2007/08 was as follows:

- Approximately \$47,000 to Deloitte Australia for a review of Pillar's operations.

### Grants to Non-Government Organisations

No grants to non-government organisations were made by Pillar during 2007/08.

### Insurance Premiums

Pillar maintains insurance cover through a contract of coverage with the NSW Treasury Managed Fund (TMF) with the cover including professional indemnity cover for all staff, property, motor vehicle, workers' compensation and miscellaneous matters.

Insurance premiums paid to TMF during 2007/08 amounted to \$439,791 (including GST).

### Major Works in 2007/08

Pillar spent approximately \$544,000 during 2007/08 on a fit out of leased premises for the Contact Centre at Gladstone Avenue, Wollongong.

### New Contracts in Excess of \$100,000

It is Pillar's policy to publish the names of firms who are awarded contracts with Pillar exceeding \$100,000 during the reporting period. In 2007/08 Pillar awarded the following contracts of over \$100,000:

- Think Consulting (for management and support of external and perimeter security) - \$108,000 pa;
- Bravura Solutions (for licensing and on-going support of the 'SuperB' computer system platform) – licences \$200,000 and on-going support \$240,000 pa.

## Overseas Visits

There were no overseas visits by representatives of Pillar in 2007/08.

## Payment Performance Indicators

Accounts paid on time within each quarter during 2007/08:

Quarter	Total Accounts Paid On Time			
	Target	Actual	Target	Actual
	%	%	\$	\$
September 2007	100	100	5,698,824	5,698,824
December 2007	100	100	6,247,250	6,247,250
March 2008	100	100	7,100,297	7,100,297
June 2008	100	100	7,409,770	7,409,770
<b>Total</b>			<b>26,456,141</b>	<b>26,456,141</b>

## Other Corporate Information

### Guarantee of Service

Service standards are specified within service provision contracts with Pillar's clients.

### Changes in Legislation Relating to Pillar

There were no changes in 2007/08 to either the *State Owned Corporations Act 1989 (NSW)* or the *Superannuation Administration Authority Corporatisation Act 1999 (NSW)*. Changes in legislation related to the administration of superannuation funds are reported in the Annual Reports of Pillar's clients.

### Publications

Publications of Pillar available for the public upon request (free of charge) are:

- this ninth Annual Report of the Superannuation Administration Corporation and a limited number of previous Annual Reports;
- Pillar's Conflicts of Interest Policy;
- Pillar's Equal Employment Opportunity Policy Statement;
- Pillar's Fraud & Corruption Prevention Policy;
- Pillar's Privacy Policy;
- Pillar's Protected Disclosures Policy; and
- Pillar's FOI Statement of Affairs and Summary of Affairs.

Pillar assists its trustee clients with the publication of many documents for the use of fund members. These publications belong to the applicable trustee corporations and are identified in their Annual Reports.

### Access

The address and phone number of each of Pillar's principal offices are as follows:

#### Sydney Office

Level 18, 83 Clarence St  
Sydney NSW 2000

Telephone: (02) 9238 5555

#### Coniston Office

Pillar's National Service Centre  
5 Old Springhill Rd  
Coniston NSW 2500

Telephone: (02) 4298 6437

Business hours are 8.30 am to 5.30 pm.

### Details of Production of Report

The estimated external costs of this Annual Report are estimated to be no greater than \$4,500, with 150 copies of the Report being printed.

This report will be available on the internet soon after this Report is submitted to the NSW Parliament in late November 2008. The Internet address is <http://www.pillar.com.au>.