

Occupational Superannuation Standards Regulations (Amendment) 1993 No. 33

EXPLANATORY STATEMENT

Statutory Rules 1993 No. 33

Issued by Authority of the Treasurer

Occupational Superannuation Standards Act 1987

Occupational Superannuation Standards Regulations (Amendment)

The Occupational Superannuation Standards Act 1987 (the Act) gives authority to the Government to set standards that superannuation funds must meet in order to be eligible for concessional taxation treatment.

Section 22 of the Act provides that the Governor-General may make regulations for the purposes of the Act.

Subsection 7(1) of the Act provides that the regulations may prescribe standards applicable to the operation of superannuation funds.

One of the measures outlined in the Treasurer's statement of 21 October 1992 entitled "Strengthening Super Security: New Prudential Arrangements for Superannuation" was that public offer superannuation funds, ADFs and PSTs that are currently subject to the prospectus and prescribed interest provisions of the Corporations Law (administered by the Australian Securities Commission) would be exempted from such requirements and made subject to comparable requirements under the proposed superannuation prudential supervision legislation which will be administered by the Insurance and Superannuation Commissioner.

In December 1992 the Australian Securities Commission issued a class order exempting superannuation funds from the prospectus and prescribed interest provisions under the Corporations Law. This has caused a temporary regulatory gap pending commencement of the proposed new superannuation prudential supervision legislation.

The Regulations fill this gap by amending regulations under the Occupational Superannuation Standards Act 1987 to provide as a standard that superannuation funds must continue to issue prospectuses in accordance with certain requirements of the Corporations Law.

Regulation 1 specifies that the Occupational Superannuation Standards Regulations are amended as set out in these regulations.

Regulation 2 inserts a new Regulation 5AAA which prohibits the invitation to become members of, or to contribute to, a superannuation fund unless a prospectus in relation to the fund that complies with certain requirements of Division 2 of Part 7.12 of the Corporations Law has been lodged with the Insurance and Superannuation Commissioner.

These Regulations commenced on gazettal.