EXPLANATORY STATEMENT
STATUTORY RULES 1986 NO 345
ISSUED BY THE AUTHORITY OF THE MINISTER FOR FINANCE
SUPERANNUATION ACT 1976 - SUPERANNUATION (ELIGIBLE
EMPLOYEES) REGULATIONS (AMENDMENT)

Section 168 of the <u>Superannuation Act 1976</u> (the Act) provides that the Governor-General may make regulations, not inconsistent with the Act, prescribing matters that the Act requires or permits to be prescribed, or that are necessary or convenient to be prescribed, for carrying out or giving effect to the Act.

The Act provides a contributory superannuation scheme for Commonwealth employees. Persons eligible to contribute under the Act are referred to in the Act as "eligible employees".

Sub-section 3(1) of the Act defines the term "eligible employee". In accordance with paragraph (j) the definition, the term does not include a person included in a <u>prescribed</u> class of persons. Thus, certain classes of employees may be excluded by regulations from becoming, or remaining, contributors. The classes of persons so excluded are prescribed in the Superannuation (Eligible Employees) Regulations (the Regulations).

Northern Territory meat inspection staff are to be transferred to Commonwealth employment on 15 December 1986. The transferred staff are to be appointed as officers for the purposes of the <u>Public Service Act 1922</u> on that date.

Some of the transferees will be eligible employees for the purposes of the Act immediately before the date of transfer and it is intended that they remain eligible employees following their transfer to Commonwealth employment. The remainder will not be members of any superannuation scheme immediately before the date of transfer and it is intended that they have the option of becoming eligible employees for the purposes of the Act at, or at any time after, the date of transfer.

Under the Act, permanent employees, including officers for the purposes of the <u>Public Service Act 1922</u>, are required to become eligible employees for the purposes of the Act. Thus, those Northern Territory transferees who are not members of a superannuation scheme immediately before the date of transfer will be required to become eligible employees unless excluded from doing so by the Regulations. Amendment of the Regulations is, therefore, necessary to exclude them from becoming eligible employees unless they elect to do so.

The Statutory Rule amends the Regulations accordingly.

The amendments are to come into operation on 15 December 1986.

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