

Superannuation (CSS) Eligible Employees Amendment Regulations 2000 (No. 1) 2000 No. 33

EXPLANATORY STATEMENT

STATUTORY RULES 2000 No. 33

Issued by the authority of the Minister for Finance and Administration

Superannuation Act 1976

Superannuation (CSS) Eligible Employees Amendment Regulations 2000 (No. 1)

The *Superannuation Act 1976* (the 1976 Act) makes provision for, and in relation to, the Commonwealth Superannuation Scheme (CSS) which is an occupational superannuation scheme for Commonwealth employees and for certain other persons.

Since 1 July 1990 the CSS has been replaced by the Public Sector Superannuation Scheme that is provided for under the *Superannuation Act 1990* as the main superannuation scheme for Commonwealth employees. Membership of the CSS continues to be available to existing members and certain former members (for example, former members with preserved benefits in the CSS).

Section 168 of the 1976 Act provides that the Governor-General may make regulations for the purposes of that Act.

Subsection 3(1) of the 1976 Act contains the definition of "eligible employee" which describes persons who may contribute to the CSS (ie CSS members). Paragraph 3(1)(j) allows certain classes of persons, who would otherwise be eligible employees, to be excluded, by regulation, from the definition of eligible employee. These classes of persons are prescribed in the Superannuation (CSS) Eligible Employees Regulations 1976 (the Principal Regulations).

ACTEW Corporation is an approved authority for the purposes of the 1976 Act. As a consequence CSS membership is compulsory for all permanent employees and optional for certain temporary employees of ACTEW Corporation for whom CSS membership continues to be available.

ACTEW Corporation has introduced new superannuation arrangements for new employees. Under these arrangements, new employees of ACTEW Corporation, including those for whom CSS membership continues to be available, are to be offered choice of superannuation fund.

The purpose of the Regulations is to amend the Principal Regulations to confirm that certain new ACTEW Corporation employees who have prior links to the CSS are able to maintain their membership. The Regulations provide that these employees retain their CSS membership unless they elect to cease CSS membership within 28 days of commencing employment with ACTEW Corporation. An employee who makes such an election can join an accumulation superannuation scheme of their choice in accordance with ACTEW Corporation's new superannuation arrangements provided for under their enterprise agreement.

Details of the amendments are explained in the Attachment. The Regulations commence on gazettal.

**SUPERANNUATION (CSS) ELIGIBLE EMPLOYEES AMENDMENT REGULATIONS
2000 (No. 1)**

Regulation 1

Regulation 1 provides that the Regulations are called the *Superannuation (CSS) Eligible Employees Amendment Regulations 2000 (No. 1)*.

Regulation 2

Regulation 2 provides that the Regulations commence on gazettal.

Regulation 3

Regulation 3 provides that the Principal Regulations are amended in accordance with Schedule 1.

Schedule 1

Item 1 amends the punctuation of paragraph 4(1)(zr) as a consequence of the insertion of paragraph 4(1)(zs) by item 2.

Item 2 inserts paragraph 4(1)(zs) to provide that certain classes of persons who continue or recommence CSS membership upon commencing employment with ACTEW Corporation, may, within 28 days of commencing that employment, elect not to be treated as CSS members.

The classes of persons who continue to be CSS members unless they elect to cease membership within 28 days of commencing employment with ACTEW Corporation are persons who:

- (i) were CSS members immediately before commencing that employment;
- (ii) were invalidity pensioners under the superannuation scheme established under the *Superannuation Act 1922* (the superseded Act);
- (iii) were in receipt of a CSS invalidity pension (or who have a suspended CSS invalidity pension) immediately before commencing employment;
- (iv) have a right to future payment of deferred benefits from the CSS or from the superannuation scheme established under the superseded Act; or
- (v) were formerly members of the CSS or the superannuation scheme established under the superseded Act and have preserved rights of return to the CSS because they bring a transfer value to CSS that includes a transfer value previously taken from the CSS in respect of previous membership.