

EXPLANATORY STATEMENT

Issued by the authority of the Minister for Finance and Administration

Superannuation Act 1976

Declaration under paragraph (ec) of the definition of *eligible employee* included in subsection 3(1)

The *Superannuation Act 1976* (the Act) makes provision for and in relation to the Commonwealth Superannuation Scheme (CSS) for Australian Government employees and for certain other persons.

Subsection 3(1) of the Act contains the definition of the term ‘eligible employee’ that describes various classes of persons who may contribute to the CSS (ie CSS members). Paragraph (ec) of the definition provides that the Minister may declare a class of persons to be CSS members.

The **Superannuation (CSS) (Eligible Employees – Inclusion) Declaration 2003** (the Principal Declaration) identifies the persons who are declared CSS members under paragraph (ec) of the definition of eligible employee.

The purpose of the **Superannuation (CSS) (Eligible Employees – Inclusion) Amendment Declaration 2005 (No. 2)** (the Amending Declaration) is to amend the Principal Declaration in order to provide continuing CSS membership for employees of the Military Superannuation and Benefits Board of Trustees No. 1 (the MSB Board).

The Amending Declaration ensures continued membership of the CSS for a person employed by the MSB Board, other than on a temporary or part-time basis, who:

- immediately before becoming an employee of the MSB Board was a member of the CSS; and
- is not a member of an alternative superannuation scheme in relation to their employment with the MSB Board.

The Amending Declaration has been prepared in consultation with the Department of Defence and was drafted by the Office of Legislative Drafting and Publishing.

No further consultation is required as the instrument is machinery in nature and will not alter existing arrangements for employees of ComSuper who will transfer to the MSB Board following the commencement of this instrument and future employees of the MSB Board who have CSS membership prior to commencing employment with the MSB Board.

The Amending Declaration is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

The Amending Declaration commences on the day after registration on the Federal Register of Legislative Instruments.

The details of the Amending Declaration are explained in the Attachment.

ATTACHMENT

SUPERANNUATION (CSS) (ELIGIBLE EMPLOYEES – INCLUSION) AMENDMENT DECLARATION 2005 (NO. 2)**Section 1**

This section provides that the name of the Declaration is the Superannuation (CSS) (Eligible Employees – Inclusion) Amendment Declaration 2005 (No. 2).

Section 2

This section provides for the Declaration to commence on the day after it is registered.

Section 3

This section provides that Schedule 1 of the Declaration amends the *Superannuation (CSS) (Eligible Employees – Inclusion) Declaration 2003* (the Principal Declaration).

SCHEDULE 1 – AMENDMENTS

Item 1 makes a consequential amendment to subparagraph 4(2)(n)(ii) as a result of item 2.

Item 2 inserts paragraph 4(2)(o) into the Principal Declaration.

Paragraph 4(2)(o) provides that a class of persons employed by the MSB Board other than on a casual or temporary part-time basis can retain CSS membership if they:

- were members of the CSS immediately prior to commencing employment with the MSB Board; and
- are not members of an alternative superannuation scheme (as defined in the Principal Declaration) in relation to their employment with the MSB Board.