

Superannuation (CSS) Salary Regulations (Amendment) 1996 No. 204

EXPLANATORY STATEMENT

STATUTORY RULES 1996 No. 204

Issued by the authority of the Minister for Finance

Superannuation Act 1976

Superannuation (CSS) Salary Regulations (Amendment)

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

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

The purpose of the regulations is to set the annual rate of salary for superannuation purposes in respect of relevant employees of the Health Insurance Commission.

Section 5 of the Act provides, among other things, that the regulations may prescribe an annual rate of salary for the purposes of the Act for certain eligible employees. Regulations for the purposes of section 5 are contained in the **Superannuation (CSS) Salary Regulations** (the Principal Regulations).

Some CSS members are employed under employment agreements known as flexible remuneration packages which enable them to receive part of their remuneration as non-cash benefits.

Division 1 of Part 2E of the Principal Regulations (regulations 8P to 8QA inclusive) provides for the annual rate of salary of certain eligible employees who are employed on flexible remuneration packages. The annual rate of salary is described in Schedule 1 of the Principal Regulations as a prescribed percentage of the total value of the respective packages.

The Health Insurance Commission is an approved authority for the purposes of the Superannuation Act 1976 and intends to implement flexible remuneration package schemes for appropriate employees such as those described above.

The regulations amend the Principal Regulations to add one new item to Part 1 of Schedule 1 which provides that in respect of relevant employees of the Health Insurance Commission the annual rate of salary for superannuation purposes is set at 75 per cent of the total employment package.

The Regulations commenced on the date of gazettal.