

Superannuation (PSS) Productivity Contribution (2009-2010) Determination 2009 – Explanatory Statement

1 Name of Determination

This determination is the *Superannuation (PSS) Productivity Contribution (2009-2010) Determination 2009*.

2 Commencement

This determination takes effect on 1 July 2009.

3 Purpose

The purpose of this determination is to set new productivity contribution rates for the Public Sector Superannuation (PSS) scheme to apply for the financial year beginning on 1 July 2009.

4 Background

Establishment of the PSS Scheme

The PSS scheme is established by the *Superannuation Act 1990*, a Trust Deed and Rules.

The PSS Rules were renumbered with effect from 1 July 1995, as a result of amendments made by the Ninth Amending Trust Deed.

The PSS Rules were further amended by the Twenty-Eighth Amending Trust Deed executed in 2007 by the deletion of a “B” before each rule with effect from 29 June 2007.

Productivity Contribution Rates

PSS Rule 4.3.2 sets out a *Table of Productivity Contributions Rates* to apply from 1 July 1995 until amended.

PSS Rule 4.3.3 provides for the productivity contribution rates set out in the Table in rule 4.3.2 to be amended by the Australian Reward Investment Alliance (ARIA) with effect from 1 July each year, to reflect changes in the general salary levels of members. The increase in the amounts in the *Table of Productivity Contribution Rates* maintains the real value of the productivity contributions in relation to the overall salaries of PSS members.

Delegation

ARIA has delegated its power under rule 4.3.3 to relevant officers in Commonwealth Superannuation Administration.

Productivity Contribution Rates in the Period 1 July 1996-30 July 2005

In the period from 1 July 1996 to 30 July 2005, the amounts set out in the table in rule 4.3.2 were replaced on 1 July each year, pursuant to the *PSS (Productivity Contribution Rates) Determination No. 1*, which was amended each year in consecutively-numbered determinations. That Determination was revoked on 1 July 2005 by the *Superannuation (PSS) Productivity Contribution (2006-2007) Determination 2006*, which set out the productivity contribution rates for the financial year commencing on 1 July 2005.

Productivity Contribution Rates in the Period from 1 July 2005

Productivity contribution rates in the period from 1 July 2005 are set out in annual determinations that apply for the financial year commencing on 1 July each year.

5 New Productivity Contribution Rates

The new productivity contribution rates that apply with effect from 1 July 2009 are set out in the determination.

6 Consultation

As the instrument is for internal machinery of Government purposes only, no consultation was considered necessary with other persons (see sections 17 and 18 of the *Legislative Instruments Act 2003*).