

## **EXPLANATORY STATEMENT**

Issued by the Minister for Finance and Deregulation

*Superannuation Act 1990*

Declaration under paragraph 6(1)(j)

The *Superannuation Act 1990* (the Act) makes provision for and in relation to the Public Sector Superannuation Scheme (PSS) for Australian Government employees and for certain other persons.

Section 6 of the Act specifies the various persons who may be a member of the PSS. Paragraph 6(1)(j) provides that the Minister may declare a person to be a PSS member.

The *Superannuation (PSS) Membership Inclusion Declaration 2006* (the Principal Declaration) identifies the persons who are declared PSS members under paragraph 6(1)(j).

The purpose of the *Superannuation (PSS) Membership Inclusion Amendment Declaration 2012 (No. 2)* (the Declaration) is to amend the Principal Declaration to provide PSS membership for certain persons who commence employment with the Australian Reinsurance Pool Corporation (ARPC), on or after the commencement of this Declaration.

The employees involved are persons who immediately before commencing employment with ARPC were contributing members of the PSS. Their PSS contributory membership will continue on becoming employed by ARPC.

ARPC is a Commonwealth authority established under the *Terrorism Insurance Act 2003* to administer the terrorism reinsurance scheme.

ARPC were consulted on the amendments contained in the Declaration.

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

The Declaration commences on the day after it is registered.

The details of the Declaration are explained in Attachment A.

A Statement of Compatibility with Human Rights is at Attachment B.

## **SUPERANNUATION (PSS) MEMBERSHIP INCLUSION AMENDMENT DECLARATION 2012 (NO. 2)**

### **Section 1 – Name of Declaration**

This section provides that the name of the Declaration is the *Superannuation (PSS) Membership Inclusion Amendment Declaration 2012 (No. 2)*.

### **Section 2 – Commencement**

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

### **Section 3 – Application**

This section provides that the amendments made by item 3 of Schedule 1 only apply in relation to a person who becomes employed by ARPC on or after the commencement of the Declaration.

### **Section 4 – Amendment of *Superannuation (PSS) Membership Inclusion Declaration 2006***

This section provides that Schedule 1 of the Declaration amends the *Superannuation (PSS) Membership Inclusion Declaration 2006* (the Principal Declaration).

### **Schedule 1 – Amendments**

**Item 1** inserts a definition of ARPC, short for the Australian Reinsurance Pool Corporation.

**Item 2** inserts subsection 4(22). Subsection 4(22) describes the circumstances in which the PSS membership of PSS members employed by ARPC ceases. Subsection 4(22) provides that PSS membership ceases for a person who has such membership through item 29 of Schedule 1, which relates to employees of ARPC, when any of the following circumstances arise:

- the person ceases employment with ARPC;
- the person becomes a member of an alternative superannuation scheme, as defined in the Principal Declaration; or
- ARPC ceases to be a Commonwealth authority.

**Item 3** inserts item 29 in Schedule 1. Item 29 provides for employees of ARPC, in certain circumstances, to continue to be PSS members. Under item 29, a person who becomes an employee of ARPC will continue their PSS contributory membership on becoming employed by the ARPC, provided that he or she:

- immediately before commencing that employment was a PSS member, that is, persons who may contribute to the PSS; and
- is not a member of an alternative superannuation scheme, as defined in the Principal Declaration.

## **Statement of Compatibility with Human Rights**

*Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011*

### **Superannuation (PSS) Membership Inclusion Amendment Declaration 2012 (No. 2)**

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

#### **Overview of the Legislative Instrument**

The purpose of the *Superannuation (PSS) Membership Inclusion Amendment Declaration 2012 (No. 2)* is to amend *Superannuation (PSS) Membership Inclusion Declaration 2006* to provide Public Sector Superannuation Scheme membership for certain persons who commence employment with the Australian Reinsurance Pool Corporation.

#### **Human rights implications**

This Legislative Instrument does not engage any of the applicable rights or freedoms.

#### **Conclusion**

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

**Penelope Ying Yen Wong**  
**Minister for Finance and Deregulation**