



## **Superannuation Amendment (PSSAP Trust Deed—Membership) Instrument 2017**

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I, Mathias Hubert Paul Cormann, Minister for Finance, make the following instrument.

Dated 25 October 2017

Mathias Hubert Paul Cormann  
Minister for Finance

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## 1 Name

This instrument is the *Superannuation Amendment (PSSAP Trust Deed—Membership) Instrument 2017*.

## 2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	At the same time as Schedule 1 to the <i>Superannuation Amendment (PSSAP Membership) Act 2017</i> commences.	4 December 2017

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

## 3 Authority

This instrument is made under section 11 of the *Superannuation Act 2005*.

## 4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

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## Schedule 1—Amendments

### *Superannuation (PSSAP) Trust Deed*

#### **1 Rule 1.2.1 of the Schedule (definition of additional employer contributions)**

Omit “of an **ordinary-employer-sponsored member**”, substitute “of an **ordinary employer-sponsored member** (except a **former Commonwealth ordinary employer-sponsored member**)”.

#### **2 Rule 1.2.1 of the Schedule (definition of basic employer contributions)**

Repeal the definition, substitute:

**basic employer contributions** means, in respect of an **ordinary employer-sponsored member**:

- (a) contributions paid by the **designated employer** of that member under Rule 2.2.1; or
- (b) contributions paid by the **designated employer** of that member as mentioned in Rule 2.2.1A.

#### **3 Rule 1.2.1 of the Schedule**

Insert:

**former Commonwealth ordinary employer-sponsored member** has the same meaning as in the **Act**.

#### **4 Rule 1.2.1 of the Schedule (definition of invalidity retirement)**

After “an **ordinary employer-sponsored member**”, insert “(except a **former Commonwealth ordinary employer-sponsored member**)”.

#### **5 Rule 1.2.1 of the Schedule (definition of pay day)**

After “to an **ordinary employer-sponsored member**”, insert “(except a **former Commonwealth ordinary employer-sponsored member**)”.

#### **6 Rule 1.2.1 of the Schedule (definition of pay day)**

After “in the case of an **ordinary employer-sponsored member**”, insert “(except a **former Commonwealth ordinary employer-sponsored member**)”.

#### **7 Division 1 of Part 2 of the Schedule**

Omit:

#### **Becoming a PSSAP member**

**Note:** A person becomes a **PSSAP member** under Part 3 of the Act, which also specifies the duration of the person’s PSSAP membership. As well as specifying when a person is eligible to become a member of PSSAP, that Part empowers the Minister to either declare that a particular person is eligible to become a **PSSAP member** or is not eligible to become a **PSSAP member**.

A **designated employer** is required to pay contributions only in respect of:

- **ordinary employer-sponsored members**; and
- **current government scheme members** (salary sacrifice contributions only).

Part 4 of the Act sets out the situations in which a **PSSAP member** is an **ordinary employer-sponsored member** of PSSAP.

substitute:

### **Becoming a PSSAP member**

**Note:** A person becomes a **PSSAP member** under Part 3 of the Act, which also specifies the duration of the person's PSSAP membership. As well as specifying when a person is eligible to become a member of PSSAP, that Part empowers the Minister to either declare that a particular person is eligible to become a **PSSAP member** or is not eligible to become a **PSSAP member**.

Most **designated employers** are required to pay contributions only in respect of:

- **ordinary employer-sponsored members**; and
- **current government scheme members** (salary sacrifice contributions only).

However, **designated employers** of **former Commonwealth ordinary employer-sponsored members** are not required to pay contributions in respect of such a member. Instead, such an employer can make contributions in respect of such a member if PSSAP is the member's chosen fund under the *Superannuation Guarantee (Administration) Act 1992*.

Part 4 of the Act sets out the situations in which a **PSSAP member** is an **ordinary employer-sponsored member** of PSSAP. **Former Commonwealth ordinary employer-sponsored members** are **ordinary employer-sponsored members** of PSSAP under subsection 18(7) of the Act.

## **8 At the end of Rule 2.1.1 of the Schedule**

Add:

**Note:** A person cannot be a **former Commonwealth ordinary employer-sponsored member** while the person is an **ordinary employer-sponsored member** under subsection 18(2), (3) or (5) of the Act: see subsection 18(7) of the Act.

## **9 Rule 2.2.1 of the Schedule**

After “of an **ordinary employer-sponsored member**”, insert “(except a **former Commonwealth ordinary employer-sponsored member**)”.

## **10 After Rule 2.2.1 of the Schedule**

Insert:

**2.2.1A** If the **designated employer** of a **former Commonwealth ordinary employer-sponsored member** pays contributions to **CSC** in respect of the member, those contributions are **basic employer contributions**. However, **CSC** must reject any such contributions if the **SIS Act** would prevent the **PSSAP Fund** from accepting the contributions or if acceptance of the contributions by **CSC** may jeopardise the status of the **PSSAP Fund** as a complying superannuation fund.

**11 Rule 2.2.2 of the Schedule**

After “**superannuation salary of an ordinary employer-sponsored member**”, insert “(except a **former Commonwealth ordinary employer-sponsored member**)”.

**12 Rule 2.2.3 of the Schedule**

After “**superannuation salary of an ordinary employer-sponsored member**”, insert “(except a **former Commonwealth ordinary employer-sponsored member**)”.

**13 Rule 2.2.4 of the Schedule**

After “of an **ordinary employer-sponsored member**”, insert “(except a **former Commonwealth ordinary employer-sponsored member**)”.

**14 Rule 2.2.4 of the Schedule (note)**

Omit “allows employers”, substitute “allows most employers”.

**15 At the end of Rule 2.2.5 of the Schedule**

Add “However, this Rule does not apply in relation to **basic employer contributions** mentioned in Rule 2.2.1A.”.

**16 Rule 2.2.6 of the Schedule**

After “of an **ordinary employer-sponsored member**”, insert “(except a **former Commonwealth ordinary employer-sponsored member**)”.

**17 At the end of Rule 2.2.11 of the Schedule**

Add:

<p><b>Note:</b> Since Rule 2.2.2 does not apply to a <b>former Commonwealth ordinary employer-sponsored member</b>, Rules 2.2.8 to 2.2.11 also do not apply to such a member.</p>
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**18 At the end of subparagraphs 3.1.1(a)(ii) and (iv) of the Schedule**

Add “or”.

**19 After paragraph 3.1.1(a) of the Schedule**

Insert:

- (aa) a **former Commonwealth ordinary employer-sponsored member** who is applying for the payment of benefits on the basis that he or she has a **permanent incapacity**; or

**20 At the end of paragraphs 3.1.1(b), (c), (d), (e) and (i) of the Schedule**

Add “or”.

**21 After Rule 3.1.9 of the Schedule**

Insert:

**3.1.9A** If CSC receives a **benefit application** from a **former Commonwealth ordinary employer-sponsored member** under Rule 3.1.1(aa), CSC may pay the person the whole or a part of the person’s **total benefit** as requested in the **benefit application**, subject to the SIS Act.

## 22 Before Rule 3.3.1 of the Schedule

Insert:

### Scope of Division

**3.3.1A** This Division does not apply to a **former Commonwealth ordinary employer-sponsored member**.

## 23 Rule 4.1.1 of the Schedule

After “for **ordinary employer-sponsored members**”, insert “(except **former Commonwealth ordinary employer-sponsored members**)”.

## 24 Before Rule 4.1.1A of the Schedule

Insert:

**4.1.1AA** CSC may take out a policy or policies with an **insurance company** or companies in its name to provide **death and invalidity cover** for **former Commonwealth ordinary employer-sponsored members**. **Death and invalidity cover** is to be on the terms and conditions, including the circumstances, agreed between **CSC** and the relevant **insurance company** or companies.

**Note:** CSC may take out death cover and invalidity cover in separate policies.

## 25 Rule 4.1.2 of the Schedule

After “An **ordinary employer-sponsored member**”, insert “(except a **former Commonwealth ordinary employer-sponsored member**)”.

## 26 After Rule 4.1.2 of the Schedule

Insert:

**4.1.2AA** Subject to the **SIS Act**, **CSC** may offer **death and invalidity cover** to some or all **former Commonwealth ordinary employer-sponsored members**, subject to the terms and conditions of the policy taken out under Rule 4.1.1AA, unless the **insurance company** does not provide cover in respect of the member under that policy.

## 27 Rule 4.1.2B of the Schedule

After “under Rule”, insert “4.1.2AA or”.

## 28 Rule 4.1.3 of the Schedule

Omit “or an application for approval of their **invalidity retirement** is made under Rule 3.3.1”, substitute “, an application for approval of the member’s **invalidity retirement** is made under Rule 3.3.1 or the member makes a **benefit application** under Rule 3.1.1(aa)”.

## 29 Rule 4.1.3A of the Schedule

Omit “**PSSAP member** or **non-member spouse**”, substitute “person”.

## 30 Rule 4.1.3A of the Schedule

After “under Rule”, insert “4.1.2AA or”.

## 31 Rule 4.1.3A of the Schedule (note)

After “under Rule”, insert “4.1.2AA or”.

**32 Rule 4.1.5 of the Schedule**

Omit “and Rule 4.1.1A”, substitute “, 4.1.1AA or 4.1.1A”.

**33 Rule 4.1.6 of the Schedule**

After “in respect”, insert “of”.

**34 Rule 4.3.1 of the Schedule**

After “for **ordinary employer-sponsored members**”, insert “(except former **Commonwealth ordinary employer-sponsored members**)”.

**35 After Rule 4.3.1 of the Schedule**

Insert:

**4.3.1AA** CSC may take out a policy or policies with an **insurance company** or companies in its name to provide **income protection cover** for some or all **former Commonwealth ordinary employer-sponsored members**. **Income protection cover** is to be on the terms and conditions, including the circumstances, agreed between CSC and the relevant **insurance company** or companies.

**36 Rule 4.3.2 of the Schedule**

After “**ordinary employer-sponsored members**”, insert “(except former **Commonwealth ordinary employer-sponsored members**)”.

**37 After Rule 4.3.2 of the Schedule**

Insert:

**4.3.2AA** Subject to the **SIS Act**, CSC may offer **income protection cover** to some or all **former Commonwealth ordinary employer-sponsored members**, subject to the terms and conditions of the policy taken out under Rule 4.3.1AA, unless the **insurance company** does not provide cover in respect of the member under that policy.

**38 Rule 4.3.2B of the Schedule**

After “Rule”, insert “4.3.2AA or”.