

Superannuation (State Public Sector) Amendment Notice (No. 2) 2020

Explanatory notes for SL 2020 No. 228

made under the

Superannuation (State Public Sector) Act 1990

General Outline

Short title

Superannuation (State Public Sector) Amendment Notice (No. 2) 2020

Authorising law

Sections 2A and 14B of the *Superannuation (State Public Sector) Act 1990*

Policy objectives and the reasons for them

QSuper was established by the Queensland Government to provide superannuation benefits for Queensland's State public sector employees. Under section 14B of the *Superannuation (State Public Sector) Act 1990* (Superannuation Act), the Treasurer declares, by written notice, the QSuper membership categories and other conditions of membership for employees of units of the State public sector. The categories of membership for State public sector employees include a defined benefit arrangement for employees with continuous government employment since before November 2008; a generous accumulation arrangement and a basic accumulation arrangement (i.e. Superannuation Guarantee only).

The meaning of a unit of the State public sector is defined under section 2 of the Superannuation Act and includes government entities such as departments, entities established under a Queensland act and bodies corporate wholly owned by the State. Section 2A of the Superannuation Act provides that the Minister may, by written notice, declare an entity to be a unit of the State public sector, which is mainly intended to be used for those entities that do not fit within the definition under section 2 but have a link to the Queensland Government. In addition, some entities are declared units of the State public sector but only for guaranteeing the continuation of superannuation arrangements for employees transferring to the entity from an existing unit of the State public sector.

Continued QSuper membership for transferring employees

SunWater Ltd sold part of its facilities associated with the Kinchant Dam to Eton Irrigation Scheme Ltd on 31 March 2020. The QSuper membership arrangements of transferring employees are continued under the *Superannuation (State Public Sector) Notice 2010* (Superannuation Notice) in accordance with section 738B of the *Water Act 2000*.

New employer sponsors

Queensland Capacity Network Pty Ltd (QCN Fibre) is a new government owned telecommunications company jointly owned by Powerlink Queensland and Energy Queensland and has requested that its employees have access to QSuper's government benefit categories.

Employer sponsors now offering choice of fund

Stadiums Queensland, Legal Aid Queensland, Queensland Rail, the Council of the Queensland Institute of Medical Research and the Queensland Building and Construction Commission have requested that the compulsory membership requirement that applies to its employees is removed from the Superannuation Notice, with the effect that their employees have choice of fund.

Removal of employer sponsors

The entries for City North Infrastructure, Sugar Industry Commissioner and Urban Land Development Authority are removed from the Superannuation Notice as these bodies have either been merged into other entities or wound up.

Minor amendments

An entry pertaining to a class of employees of Queensland Fire and Emergency Services has been removed from the Superannuation Notice because there are no longer any scheme members who meet the requirements of that class.

The Department of Agriculture, Forestry and Fisheries (Cwlth) has been renamed to Department of Agriculture, Water and the Environment. The Superannuation Notice is amended to reflect this change.

Achievement of policy objectives

The Superannuation Notice sets out the QSuper membership arrangements approved by the Treasurer for employees of a Queensland public sector employer, including employers that have been declared to be a unit of the State public sector.

The Superannuation (State Public Sector) Amendment Notice (No.2) 2020 (Amendment Notice) achieves the policy objectives by amending the Superannuation Notice to include the arrangements outlined above.

Consistency with policy objectives of authorising law

The Amendment Notice is consistent with the policy of the authorising law in that the Minister may, by written notice, declare QSuper membership arrangements for an employee of a unit of the State public sector.

Inconsistency with policy objectives of other legislation

The Amendment Notice is consistent with the policy objectives of other legislation.

Benefits and costs of implementation

It is not expected that the implementation of the Amendment Notice will result in significant costs.

Consistency with fundamental legislative principles

The Amendment Notice is consistent with fundamental legislative principles.

Consultation

Consultation has occurred with the relevant employers and the Government Superannuation Officer. All parties agree with the amendments to the Superannuation Notice.