

Superannuation (State Public Sector) Amendment Notice (No. 2) 2022

Explanatory notes for SL 2022 No. 181

made under the

Superannuation (State Public Sector) Act 1990

General Outline

Short title

Superannuation (State Public Sector) Amendment Notice (No. 2) 2022

Authorising law

Sections 4 and 10 of the *Superannuation (State Public Sector) Act 1990*

Policy objectives and the reasons for them

QSuper was originally established by the Queensland Government to provide superannuation benefits for Queensland's State public sector employees and was established under the *Superannuation (State Public Sector) Act 1990* (Superannuation Act). On February 28, 2022, Sunsuper merged with QSuper and the scheme's name changed to Australian Retirement Trust (ART). The QSuper arrangements, including membership categories and conditions, continue under the Government Division Rules of the ART Trust Deed.

The *Superannuation (State Public Sector) Notice 2021* (Notice) is subordinate legislation to the Superannuation Act. The Notice provides the Government Division membership categories employees of units of the State public sector are eligible to join, and the conditions that apply, as approved by the Treasurer under the Superannuation Act. The membership categories include defined benefit arrangements for employees with continuous government employment since before November 2008, a comprehensive accumulation arrangement (with attracts a default 12.75 per cent employer contribution for a default 5 per cent member contribution) and a basic accumulation arrangement (which attracts an employer contribution at the Commonwealth's superannuation guarantee rate).

A unit of the State public sector is defined under the Superannuation Act and includes government entities such as departments, entities established under a Queensland Act and bodies corporate wholly owned by the State. 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 standard

definition but have a link to the Queensland Government, or for some entities, to guarantee the continuation of superannuation arrangements for employees transferring from an existing unit of the State public sector.

Changes to existing arrangements – Schedule 2 of the Notice

Central Queensland University has requested a change to its arrangements to better reflect the superannuation arrangements offered to its different groups of employees.

Golden Casket Lottery Corporation and Tabcorp Assets have requested a change to their arrangements to allow for a transfer of staff between these entities while protecting the transferring employees' superannuation arrangements.

The University of Queensland is amending its arrangements to increase the scope of superannuation options for its employees whose membership of the Government Division of ART has been approved by the employer. The University is allowing access to the basic accumulation arrangement for its non-casual employees.

Queensland Titles Registry has requested a change to its arrangements so that employees commencing on or after 19 December 2022 are defaulted to the basic accumulation arrangement (reflecting original policy intent), whilst maintaining the superannuation arrangements for existing employees.

New units of the State public sector – Schedule 2 of the Notice

Schedule 2 declares the Government Division categories employees of the following two new units of the State public sector are eligible to join:

- The Brisbane Organising Committee for the 2032 Olympic and Paralympic Games, which is a new entity established by the Queensland Government under the *Brisbane Olympic and Paralympic Games Arrangements Act 2021* and a unit of the State public sector as defined by the Superannuation Act.
- Queensland Hydro, which is a new entity established by the Queensland Government in accordance with the *Government Owned Corporations Act 1993* and the *Government Owned Corporations (Pumped Hydro Energy Storage Restructure) Regulation 2022*. The entity is a unit of the State public sector under the Superannuation Act and was established to help deliver Queensland Government's renewable energy plan through two new pumped hydro plants.

Achievement of policy objectives

The Notice sets out the ART Government Division 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) 2022 (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 ART 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

The benefits of the Amendment Notice is to provide certainty to employees around their superannuation arrangements. 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 Notice.