

Australian Capital Territory

Public Sector Management Amendment Standards 2007 (No 7)

Disallowable instrument DI2007–198

made under the

Public Sector Management Act 1994, s 251 (Management Standards)

EXPLANATORY STATEMENT

The *Public Sector Management Act 1994* (the Act) regulates the management of the public sector. In particular, section 251 of the Act empowers the Commissioner for Public Administration, with the written approval of the Chief Minister, to make Public Sector Management Standards (the Standards) for the purposes of the Act.

From 1 July 2006 the Standards have provided executives, chief executives and statutory office holders engaged or appointed from 1 July 2006 with an employer superannuation contribution of 9%. The Standards also specify that a 10% employer contribution will be paid, where the executive, chief executive or statutory office holder makes a personal superannuation contribution of 3% or more.

It was intended that existing staff would not be affected by this arrangement. Accordingly, the Standards contain exclusion provisions that exempt existing members of the Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation Scheme (PSS). Exclusion provisions also applied to executives engaged and statutory office holders appointed between 1 July 2005 and 30 June 2006, covering Public Sector Superannuation Scheme Accumulation Plan (PSSAP) members or circumstances where an executive elected to contribute to another fund in accordance with commonwealth superannuation choice arrangements. Inadvertently, executives and statutory office holders engaged or appointed before 1 July 2005, who were not members of the CSS or PSS, were not exempted from the employer superannuation contribution arrangements in place from 1 July 2006.

The amendment clarifies the 1 July 2006 amendment to the Standard by broadening the exclusion provisions to cover all executives and statutory office holders employed by the Territory before 30 June 2006. This ensures that where an executive or statutory office holders was employed before 30 June 2006 and remains in continuous employment with the Territory, they maintain the employer superannuation contributions they received upon commencement with the Territory.

The amendment also clarifies that where an executive or statutory office holder commenced before 30 June 2006, and maintains continuous employment with the Territory, they will retain their commencing employer superannuation contribution if

they accept a different type of office within the Territory. For example, an executive employed before 30 June 2006, who accepts an appointment as a statutory office holder after this date will continue to receive the employer superannuation contribution they received as an executive.