

**Senate Finance and Public Administration Legislation Committee**  
ANSWERS TO QUESTIONS ON NOTICE  
SUPPLEMENTARY BUDGET ESTIMATES 2012-2013

Finance and Deregulation Portfolio

**Department/Agency:** Department of Finance and Deregulation

**Outcome/Program:** 1/1.1

**Topic:** MySuper Bills

**Senator:** Cormann

**Question reference number:** F20

**Type of question:** Hansard, F&PA Committee, Page 40, 16 October 2012

**Date set by the committee for the return of answer:** Friday, 30 November 2012

**Number of pages:** 2

**Question:**

On notice, then: can you provide us with a detailed answer about your involvement in the RIS process for the third tranche of the MySuper legislation; specifically, which parts of it were exempt under the prime ministerial exemptions, which parts of it were assessed in draft and which parts, if any, were assessed after the bill had been finalised by the government pre-introduction into the parliament?

**Answer:**

For the *Stronger Super* reforms, the Regulation Impact Statement (RIS) requirements were triggered by the timing of policy decisions/announcements, rather than being directly aligned to each tranche of legislation.

As noted in the Explanatory Memorandum, parts of the Bill for the third tranche were covered in the Stronger Super RIS published on 17 October 2011 (that is, the transfer of accrued default balances, types of insurance offered through superannuation and sections 2 and 3 of the appendix, which deal with other aspects of insurance, and fees, respectively), while a RIS exemption was granted for the remainder of the Stronger Super reforms, which will be subject to a post-implementation review.

Relevant RIS activity for the *Stronger Super* reforms is as follows:

Two Regulation Impact Statements (RISs) were completed on aspects of the Government's *Strong Super* reforms—one in October 2011 and the other in July 2012. As well, the Prime Minister provided 'exceptional circumstances' exemptions on two separate occasions for other aspects of the *Stronger Super* reforms.

The first RIS relates to measures announced by the Assistant Treasurer on 21 September 2011. These involved: creating MySuper; the administration of superannuation accounts through SuperStream; standards for Self Managed Super Fund auditors and revised governance arrangements. The RIS was published on 17 October 2011. It can be accessed at: <http://ris.finance.gov.au/2011/10/17/stronger-super-reforms-%e2%80%93-regulation-impact-statement-and-prime-minister%e2%80%99s-exemption-%e2%80%93-treasury/>.

The second RIS relates to new registration requirements for auditors of Self Managed Superannuation Funds announced by the Minister for Financial Services and Superannuation on 23 June 2012. The RIS was published on 17 July 2012. It can be accessed at: <http://ris.finance.gov.au/2012/07/17/self-managed-superannuation-fund-auditor-registration-%e2%80%93-regulation-impact-statement-%e2%80%93-treasury/>.

The Prime Minister provided an exemption from the RIS requirements for the Government's initial response to the Super System (Cooper) review, announced on 16 December 2010. The Treasury is required to commence a post-implementation review of these measures in July 2015.

The Prime Minister also granted an exemption from the RIS requirements in relation to the ability of funds to offer tailored MySuper products to employees with more than 500 employees, and extension to the date by which trustees will be required to have transferred the balance of existing default funds into MySuper products. The announcement was made by the Assistant Treasurer on 21 September 2011. The Treasury is required to commence a post-implementation review of these measures in July 2015.