

Dear [REDACTED],

We refer to your letter to all RSE Licensees of Defined Benefit (DB) Funds of 30 June 2022, seeking input into APRA's review of the impact of SGAA amendments on DB schemes.

The DB schemes administered by CSC are unfunded and have membership eligibility governed by Commonwealth government legislation and so the impacts to our DB members as a result of these changes are relatively minor.

In some cases, CSC is not able to provide the requested information as it is not available to CSC as it would be held by the employers or members. Where we are able to, responses to APRA's questions 1-13 are below. For questions relating to membership data for the periods as at 30 June 2020, 30 June 2021 and 3 May 2022, CSC does not have additional data available to provide beyond the standard data reported to APRA on 30 June of each year.

**1. Do you currently have any DB schemes that are open to new members? If so, how many?**

CSC has only one DB scheme that is (theoretically) open to members, however it is an exempt public sector superannuation scheme (ADF Cover) that provides death and invalidity benefits only for military personnel and their beneficiaries; it does not provide any other benefits.

**2. Have any of your DB schemes closed to new members since 30 June 2020? If yes, what was the reason for closing the scheme?**

No.

**3. Have you wound-up any DB schemes since 30 June 2020? If so, what was the reason for winding up the scheme?**

No.

**4. How have the amendments affected your DB scheme(s)? In particular, have the amendments affected the operation, profitability, funding and viability of your DB scheme(s)? Please provide details, including any impact on the vested benefits index (VBI) resulting from the changes**

No material impacts have been identified.

**5. Have you taken any actions as a direct consequence of the amendments? For example, have you provided information about the amendments, and their impact, to members? If so, please provide details about these actions.**

Information has been provided to employers in relation to how the changes interact with the membership requirements of our DB schemes. Some information has been made available online for members and employers.

**6. How many members of your DB scheme have opened, or moved to, non-DB products since 1 January 2021? Please provide details where you are aware these members have done so, to access choice of fund.**

Not known. Governing legislation and scheme rules limit the circumstances in which DB scheme employers can offer choice of fund to existing DB scheme members.

**7. Are there any members for whom notional contributions were made into your DB scheme under a workplace determination or enterprise agreement in circumstances not covered by ss. 20(2) to (3A)? Please provide details about the number of members affected and how many are eligible for choice of fund as a result of the amendments made by the Act.**

N/A

**8. How many of the employers of the members of your DB scheme offered choice of fund to the members as a result of the amendments? Where this has been the case, how has this choice been offered to members?**

As the DB schemes are closed to new members, choice of fund is offered by all employers to employees that are not already members of our DB schemes. Governing legislation limits the circumstances in which DB scheme employers can offer choice of fund to *existing* DB scheme members.

**9. Do your fund rules permit employers to offer choice of fund on a voluntary basis? If so, have any employers offered choice of fund to any members of your DB scheme on a voluntary basis since 1 January 2021? How has this choice been offered to members?**

DB employers can only offer existing DB members choice of fund in certain circumstances, this depends on their scheme, age, type of service, employment status, and other criteria.

**10. Have any employers ceased to provide choice of fund to employees who fall within ss. 20(3A) and do they now contribute to the DB scheme in respect of those employees as a result of this amendment?**

N/A

**11. Before September 2020, were any of the employers of members of your DB scheme subject to a penalty increase in the SG shortfall under subsection 19(2B) as a result of not providing choice of fund to members of the DB scheme who would otherwise have fallen within the news. 20(3A)?**

N/A

**12. Please provide any other information relating to the impacts of ss. 20(3A) (if any) on your DB scheme.**

N/A

**13. Do you have any further comments to make about the impact of these amendments beyond those outlined above?**

No. As indicated, because of the nature of CSC's schemes the impacts are minor.

We hope this is of assistance to you.

Regards,

**Alana Scheiffers**

**General Counsel**