Australian Government
Commonwealth Superannuation Corporation

CSC Employer Newsletter: August 2022

As a new financial year commences we see a number of Departments impacted by the Machinery of Government (MoG) changes that came into effect on 1st July 2022. We have reached out directly to a number of Departments and are working closely with their transition teams to support them through the changes. If you are in a transition team and have not spoken to us yet, please reach out so we can support you through the process and understand any unintended consequences.

Also, with a new financial year a reminder that new EPSC rates apply from 1 July 2022. Use the Employer Productivity Superannuation Contribution (EPSC) rates to calculate the fortnightly funded employer contributions. The updated rates can be found on the employer section of CSC's website.

Annual Statements will be sent out from September, so in preparation we are encouraging customers to log into their online accounts and update their details. Annual Statements are a key way for customers to check in on their super and review how it's tracking. At a glance, customers will see any contributions into their account over the financial year, their account balance, insurance/invalidity/death cover (where applicable), and an estimate of their benefits as at 30 June 2022.

Finally, following years of record low interest rates, inflation, and atypical share market returns, markets have been experiencing significant corrections towards more sustainable levels since the beginning of the 2022 calendar year. It's a timely reminder for both employers and our customers that we have a range of material available on our website to help you better understand how we make investment decisions and what makes us unique to other superannuation funds. More information on this is found below.

Thanks for taking the time to read our Employer News and if you need any support from the Employer Service team please reach out to us on 1300 338 240 or email employer.service@csc.gov.au.

Kind regards

Peter Lewis
Senior Manager, Employer Services
Commonwealth Superannuation Corporation

Overpaid CSS and PSS member contributions

In 2021 we upgraded our systems so we can refund member contributions directly to CSS and PSS members after they've ceased employment. We strongly encourage you to balance records before your employees cease employment, but we'll take over once they've left.

Please do not make adjustments on paydays after an employee's cease date as it could result in further overpayments (or even underpayments). Please note that this doesn't affect employer contributions or EPSC.

If you're not able to prevent adjustments after the cease date or contributions being balanced for an employee, get in touch with us ASAP on 1300 338 240

Head of Transformation – Gemma Zec

Gemma is a transformational leader with over 15 years' experience in superannuation and government developing strategies and delivering solutions to solve complex organisational problems. Gemma's background spans customer experience, relationship management, mergers and project delivery which has provided her with the ideal runway to bring her deep understanding of the industry and propel change at CSC from the inside out.

At CSC as Head of Transformation, Gemma is leading our transformation program with a clear strategy of redesigning how we operate across people, process, data and technology to bring about a Connected Service Culture. Gemma ensures CSC's transformation is as much focused on the people as it is the technology, she uses systems thinking to explore new operating models and ways of working to align with the modernisation of technology, such as our new Customer Relationship Management (CRM). This holistic approach and her ability to transcend organisational barriers is key to breaking down actual and perceived barriers to change.

Gemma has a Master of Business Administration (Innovation and Leadership), a Diploma in Business (Public Relations) and Prince 2 Project Management certification.

As well as a busy job, she also has a busy family life with her husband and three children under 10 years. Her weekends are spent at various sporting locations which she currently regrets given the plummeting temperatures in Canberra.

To find out more about CSC's Transformation Program and to learn about some of the exciting changes being made please follow the link.

Find out more

Employer Training

Public training session dates have now been added for September and October 2022.

Please join us in the training sessions to help you understand and streamline your super obligations.

You can get to the registration page now by clicking here.

CSC Investment Performance

At CSC, everything we do, from how we invest to who we invest in, is done with our customer's future in mind. We are focused on achieving a sustainable financial outcome for all customers and do this by investing in high quality businesses and considering long-term risks holistically. For more insights on our investment philosophy and how we manage risk, see our investment philosophy.

Following years of record low interest rates, inflation, and atypical share market returns, markets have been experiencing significant corrections towards more sustainable levels since the beginning of the 2022 calendar year. Geopolitical, economic and market conditions have led to negative returns from both global share and bond markets.

The short-term impact on superannuation balances will depend on a funds' investment strategy, including the extent of genuine diversification. The longer-term impact will depend on the quality of assets in customer portfolios.

We appreciate these one year results may be concerning, but they must be considered in context. We have been planning for this, and working quietly in the background to build resilient and diversified portfolios with quality assets.

You can find further details of our 2021–22 Financial Year investment performance at How We Perform.

We have been planning proactively to take advantage of opportunities as markets fluctuate and prices of inflation hedged and high quality assets become more reasonable.

Find out more

PSS Salary Legislation Amendment Bill 2022

On 3 August 2022 the Government introduced the Public Sector Superannuation Salary Legislation Amendment Bill 2022 (the Bill) which has now passed both the Senate and the House of Representatives (4 August 2022).

This legislation will retrospectively remove the value of rent-free housing from the default superannuation salary for CSS by repealing paragraph 5(e) of the Superannuation (CSS) Salary Regulations 1978 (formerly known as the Superannuation (Salary) Regulations) with effect from 1 July 1986.

Find out more

CSC Commonwealth Superannuation Corporation

Your privacy is important to us
We're committed to protecting your privacy. We collect your personal information for the purposes of providing superannuation services to you, improve our products and to keep you informed. We will only share your personal information where necessary for providing superannuation services to you. This may include disclosing your personal information to our scheme administrator, service providers or government or regulatory bodies. Your personal information may be accessed overseas by our service providers. Please see our privacy policy for full details. Your personal information will not be otherwise used or disclosed unless required or permitted under law. A full copy of our privacy policy as well as the privacy complaint process is available at www.csc.gov.au/privacy

General Advice
Any financial product advice in this document is general advice only and has been prepared without taking account of your personal objectives, financial situation or needs. Before acting on any such general advice, you should consider the appropriateness of the advice, having regard to your own objectives, financial situation and needs. You may wish to consult a licensed financial advisor. You should obtain a copy of the relevant Product Disclosure Statement (PDS) and consider its contents before making any decision regarding your super.

Target Market Determination
To ensure that CSC is keeping customers at the centre of our approach to the design and distribution of our products, a Target Market Determination (TMD) has been made for ADF Super, PSSap and CSCri. A TMD describes the types of customers a financial product is appropriate for based on their likely needs, objectives and financial

situation (target market), and it establishes the conditions and restrictions in relation to how the product can be distributed to customers. The TMD also describes our reporting requirements, and events or circumstances where we may need to review the TMD. CSC TMD's can be found on our website csc.gov.au/tmd.

Commonwealth Superannuation Corporation (CSC) ABN: 48 882 817 243 AFSL: 238069 RSEL: L0001397
Trustee of Commonwealth Superannuation Scheme (CSS)ABN: 19 415 776 361 RSE: R1004649
Military Superannuation and Benefits Scheme (MilitarySuper) ABN: 50 925 523 120 RSE: R1000306
Public Sector Superannuation Scheme (PSS) ABN: 74 172 177 893 RSE: R1004595
Public Sector Superannuation Accumulation Plan (PSSap) ABN: 65 127 917 725 RSE: R1004601
Defence Force Retirement and Death Benefits Scheme (DFRDB Scheme) ABN 39 798 362 763
ADF Super ABN: 90 302 247 344 RSE: R1077063

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