Self-Managed Superannuation Funds (SMSF) - Outside Employment Section 102 of the Public Sector Management Act 1994 (PSMA)

Public Sector Commissioner's Circular

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| **Enquiries To:** Integrity@psc.wa.gov.auPublic Sector Commission | **Number:** 2012-02 **Issued Date:** 11 September 2012 **Last Reviewed Date:** 1 December 2014 **Next Review Date:** 1 December 2017 |

## Policy

The purpose of this circular is to provide guidance to employees and employing authorities in relation to the ability of public sector employees to act as a trustee or director of a corporate trustee of a SMSF. Where they so act, it is appropriate for public sector employees to disclose the existence of a SMSF and to obtain the permission of their employing authority so that any potential conflict of interest can be managed appropriately.

## Background

Section 102 of the PSMA requires that public sector employees obtain written permission of their employing authority before undertaking outside employment and other related activities.

An employee who is involved in a SMSF as a trustee or director of a corporate trustee may be considered to be carrying out business activities which would fall within the scope of Section 102(1)(c) of the PSMA.

Given the broad nature of commercial activities that may be undertaken through an SMSF such as share trading and other investment activities, property investment, and other commercial enterprises, there is a possibility that those activities could conflict with the functions and duties of a public sector employee. Given this possibility, disclosure of involvement in a SMSF will enable any conflict of interest to be properly considered and managed appropriately.

M C Wauchope
PUBLIC SECTOR COMMISSIONER

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| Other relevant Public Sector Commissioner’s Circulars: n/a |