Social Services Legislation Amendment (Fair and Sustainable Pensions) Bill 2015
Submission 2



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Committee Secretary
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Dear Committee members

## PFA SUBMISSION: SOCIAL SERVICES LEGISLATION AMENDMENT (FAIR AND SUSTAINABLE PENSIONS) BILL 2015

The Police Federation of Australia (PFA) represents Australia's 59,000 police officers across all States and Territories and the Australian Federal Police. We have examined the Fair and Sustainable Pensions Bill in order to determine its potential effect on serving and retired police officers, and those who have retired due to disability from their police service.

We were this week provided a briefing from officers of the Department of Social Services which was quite helpful in understanding the rationale behind the changes. However, given the complexity of the defined benefit scheme arrangements across the country, we have been unable to establish the number of police officers likely to have their access to full or part pensions reduced or eliminated as a result of the proposals in Schedule 1 of the Bill—Defined benefit income streams.

We have been advised that in order to establish the consequences of the proposals in Schedule 1 for serving and retired police officers, we would need to examine each Defined Benefit Fund (in a number of States), the relevant Trust Deed, what each says about disability payments, and the maximum defined benefit deductible amount in a sample of cases. This is not something the PFA can do without consulting each of our member Branches with defined benefit schemes.

In the absence of a clear appreciation of the effect of the Schedule 1 proposals on serving and retired police on defined benefit schemes, we respectfully request that police in defined benefit schemes be treated in exactly the same way as Australian Defence Force members on a "military defined benefit income stream" as defined by

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the Bill so that police schemes are not affected. We believe we could provide the Committee with a list of the legislation covering "police defined benefit income stream" schemes next week so that a suitable definition could be included in the Bill.

We would be pleased to expand on our concerns should the Committee need further information.

Yours sincerely

Mark Burgess Chief Executive Officer