

Committee Secretary

Senate Standing Committee on Finance and Public Administration

PO Box 6100

Parliament House

CANBERRA ACT 2600

**SUBMISSION BY JOHN H.PENDERGAST ON THE PROPOSED GOVERNANCE OF
AUSTRALIAN GOVERNMENT SUPERANNUATION SCHEMES BILL 2010**

For it's Tommy this an' Tommy that, an' " chuck him out the brute!

But it's "Saviour of 'is country' when the guns begin to hoot;

An' it's Tommy this an' Tommy that .an' anything you please;

An' Tommy ain't a bloomin' fool – you bet that Tommy sees!

From 'Tommy' – Rudyard Kipling 1892

Dear Committee Secretary,

Introduction

I am a Service Superannuant in receipt of DFRDB Superannuation after twenty years ARA service. In three years I will have paid back my "notional repayment" of the sum that I commuted on discharge but will still receive the decreased payment as though I was still repaying my commutation. As a result I am especially interested in any changes which may further decrease my income as I feel this proposed scheme may.

My Concerns

The current proposal to have only two Service nominated Directors out of a total of ten Directors does not bode well for the future interests of ex-service superannuants.

What does the proposal of this combined corporation to include DFDB,DFRDB, and MSBS Service superannuation schemes in one scheme along with other Commonwealth superannuation schemes mean for the oft quoted "Uniqueness of Military Service"?. Does this no longer apply?

The proposal raises many other questions. Will the introduction of this scheme mean that the DFRB/DFRDB will now be “funded”, and if so where does that money come from ?, especially when Finance Minister Tanner recently stated on the ABC Q&A Program that a change in indexation of service pensions would cost “billions and billions”. Other questions arise about who will remunerate these ten Directors of the proposed Corporation and how will these costs affect the service superannuant? The statement “each scheme will retain its own legislation base and provisions” is a mere statement that can easily be changed. We service superannuants remember “ Prime Minister Keating’s stolen 2%”.

This proposal to merge service superannuation schemes with other Commonwealth superannuation schemes seems to be another step towards the diminution of the Uniqueness of Military Service by both Government and Public Service.

The Government should remember that within twelve months we will be going to the polls again . Like Tommy Atkins 118 years ago “–you bet that Tommy sees”.

Yours sincerely,

JOHN H.PENDERGAST