2 March 2010

Committee Secretary
Senate Standing Committee on Finance and Public Administration
PO Box 6100, Parliament House
CANBERRA   ACT   2600

Dear Sir

Re: THE PROPOSED GOVERNANCE OF AUSTRALIAN GOVERNMENT SUPERANNUATION SCHEME BILL 2010

Background

In 1960 I enlisted in the Royal Australian Air Force as an apprentice. Subsequently I served for 21 years, retiring in January 1981 with the rank of Warrant Officer. I have been a contributor to the DFRDB Scheme and now draw DFRDB superannuation. I continue to pay tax, even after turning 65 years old, albeit with a 10% rebate, even though all other "pensioners" over 65 (with the exception of Commonwealth Public Servants) pay no tax at all. This taxation and the unfair indexation of DFDRB payments seems to me to be a poor way of repaying service in the Defence Forces.

Comments

If the proposed merger of the DFDB, the DFDRB and the MSBS with other superannuation schemes results in a fairer indexation system, I applaud the "potentially higher investment returns" mentioned on page 4 of "the Outline" to the Bill. However, the proposed composition of the Commonwealth Superannuation Corporation, with only two of nine directors being nominated by the Chief of the Defence Force, will definitely not guarantee equal representation.

Due to the unique requirements of military life which brings greater risk of personal injury or death, and the impacts of the requirement for mobility that imposes on service familes, it seems to me that servicemen deserve a better deal with superannuation than those who have never been called to sacrifice a safe and comfortable existence. Ex-servicemen and women will resist this new proposal where service members would easily be outvoted on any matters relating specifically to service issues.

We have been fighting for a fairer deal with superannuation for many years, all efforts having fallen on deaf ears. I therefore strongly object to any proposal which will further erode our position.

Respectfully yours

Richard Chambers