

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
SUPPLEMENTARY BUDGET ESTIMATES 2013-2014

Finance Portfolio

Department/Agency: Department of Finance

Outcome/Program: 1/1.1

Topic: Military superannuation indexation

Senator: Smith

Question reference number: F139

Type of question: 'Hansard' with F&PA page 73, 19 November 2013

Date set by the committee for the return of answer: Friday 17 January 2014

Number of pages: 1

Question:

Senator SMITH: I am happy to make it available to you or read it out. It is titled 'Changes to indexation of military superannuation payments'. If you cannot give me an answer now, I am happy for you to consult with officials and come back to me in the next few moments or the next 30 minutes, if that is possible. My question refers to the media statement of 30 July 2013, titled 'Changes to indexation of military superannuation payments'. Was Finance asked for any advice or input about this policy? Secondly, what was the impact of this announcement on the unfunded liability for Commonwealth superannuation?

Mr Tune: I will chase it up

Answer:

1. Yes.
2. The 1 July 2014 immediate impact on the unfunded liability was estimated at \$1.1 billion. The immediate impact represents the increase in the present value of the unfunded liability for service accrued to date.