

**Senate Select Committee on
Superannuation and Financial Services**

**The benefit design of Commonwealth public
sector and defence force unfunded
superannuation funds and schemes**

Submission No. 4

Submittor: Mr & Mrs Peter & Geraldine Jordan
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7-11 Collaroy Street
COLLARROY NSW 2097

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Dear Senator,

We are writing to you regarding the frequency and by which indice our Comsuper pension is adjusted. This pension comprises the overwhelming proportion of our income and as it is tied to the C.P.I. it means the gradual erosion of our pension and therefore our standard of living.

The aged pension is adjusted twice yearly by either the C.P.I. or AWE whichever is the greater.

The C.P.I has risen approximately 13% from the 31.12.93 to the 31.12 99. The age pension has risen approximately 20% in the same period. Therefore our superannuation pension has fallen 7% behind the aged pension in relative terms and therefore purchasing power which we believe to be unfair and discriminatory.

We believe Comsuper pensions should be adjusted twice yearly and by the same mechanism as the aged pension. This would allow retirees such as us to meet rising costs, particularly in the health area to name but one, as they occur, instead of having an inbuilt delay of 12 months.

We understand Parliamentary pensions are tied to a wages based indexation mechanism, and the current minimum pension is \$45000 p.a. Most Comsuper pensions are below \$20000 p.a.

Our position is this : if it is good enough to use a wages based indexation for the the aged pension and for Parliamentary pensions, it is good enough to use for the pensions of retired Commonwealth employees.

We trust you will consider our submission during your deliberations with the Senate Select Committee on Superannuation and Financial Services.

Yours faithfully

Geraldine and Peter Jordan.

Peter Jordan
1/12/2000 *G. Jordan*