

**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. 7**

**Submittor:** Mr Graham Barnard  
Email: [g.barnard@uq.net.au](mailto:g.barnard@uq.net.au)

**From:** Graham Barnard [g.barnard@uq.net.au]  
**Sent:** Monday, 8 January 2001 9:48 PM  
**To:** super.sen@aph.gov.au  
**Subject:** Submission - The benefit design of Commonwealth public sector and defence force unfunded superannuation funds and schemes

Dear Sir/Madam,

With respect to your review of the defence force unfunded superannuation scheme, I would like to express my dissatisfaction with the CPI method of indexing for the pension. Compared to other forms of indexing, the CPI has proven to be grossly inadequate in sustaining the pension purchasing power.

Politicians recently changed their indexing from CPI to AWOTE, a move that would not be detrimental to their financial position. That in itself provides sufficient justification for moving the defence pension to the same form of indexing.

Most other retirement indexing methods provide a far more realistic maintenance of the pension, eg the Macquarie Bank Retirement Index.

I trust my submission will be considered in the deliberations of the Select Committee.

Yours sincerely

Graham Barnard