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The Secretary
Senate Select Committee
on Superannuation and Financial Services

Dear Sir

I note with interest that your committee is enquiring into Commonwealth public sector and defence force unfunded superannuation funds and schemes.

This is an opportunity for the cruel treatment of Commonwealth public sector superannuation retirees to be corrected.

Those retirees served faithfully over many years, in a substantial proportion of cases for over a great many years, in the expectation of getting a reasonable pension when they reached retirement age. What has been their reward? It has been a pension which was fair and equitable at the date of retirement but has been progressively eroded by inadequate indexation ever since.

The CPI indexation which has been applied has dramatically failed to keep pace with real inflation or with salaries and wages increases or with community standards generally.

Some of my friends who served the Commonwealth for many years expected a superannuation pension which would maintain them, not in luxury, but in modest comfort during their retirement years without calling on government welfare: They are now living in close to poverty circumstances. I plead with the committee to do something to help them.

P.T.O

Is it any wonder that Commonwealth Parliamentarians have themselves changed the indexation of the retirement pensions of their own schemes from the CPI to average weekly earnings. Surely it would be fair and decent for those Parliamentarians to also correct the injustice which has been endured by the loyal, conscientious and hard working staff who worked for them and the people of Australia as public servants.

The Commonwealth age pension has already been changed to indexation according to changes in average weekly earnings.

Following the Parliamentarians and age pension precedents, a changeover from CPI to average weekly earnings indexation would surely be fair and reasonable for Commonwealth public sector retirees.

If the members of your committee cannot bring themselves to recommend that change, then some improvement in that direction is surely warranted. Periodic indexation of superannuation pensions of Commonwealth public sector retirees by a figure half way between the CPI and average weekly earnings would be a considerable improvement for people who are struggling in their retirement years.

I trust that your committee will give sympathetic and persuasive consideration to this submission and others which are lodged with it seeking action to assist in preserving the real value of Commonwealth public sector superannuation pensions.

Yours hopefully

R Baker