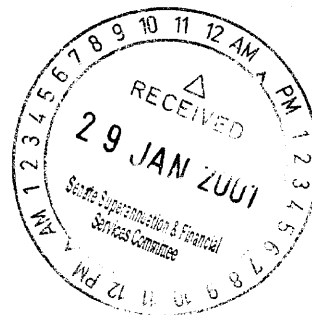


52/26 Torrens Street  
Braddon 2612  
27 January 2001



The Secretary  
Senate Select Committee on Superannuation and Financial Services  
Parliament House  
Canberra 2600

In this submission to the Committee, I concentrate on the way that indexation of my superannuation pension affects my life.

Since I was forced to retire at age 65 seven years ago, I have found that my full pension has declined in value. The things I have to buy now differ greatly from the things I used to buy. For example, I now need more services, rather than goods. I own my residence outright, so I have maintenance expenses, the kinds of expenses that are not well covered by indexing to the CPI, although mortgage payments, low at the moment, are.

Here are some of the services I have to buy because, at my age, I cannot do them myself:

- Car washing. A year ago, the local car wash charged \$4.00. Last week it had been raised to \$5.50.
- Gardening. I could no longer maintain my garden, so I had to move to an apartment, where I have to contribute to the cost of a gardener. I believe many superannuants are in this position.
- Clothes. An experienced dressmaker, I used to make most of my own clothes. With arthritic fingers and poorer eyesight, this is no longer possible. I know this is a problem common to many older women. Clothing costs me more.
- Cleaning. I used to clean my own carpets. With age, I can no longer do this.
- Eyesight. Cataracts occur frequently at my age. I have had to pay dearly for eye surgery, with little of the expense recoverable. I cannot afford health insurance, and my friends who can report they still have to pay a lot of the expenses themselves.
- Electricity. In my apartment I use less electricity than I did in my former house. Because I do use less I am not entitled to the bulk use discount I used to get. So I pay much the same.
- Medical treatment. Because of ailments pretty usual at my time of life, I have to use the services of a physiotherapist. Not being insured, this expense is not recoverable.

Here are some of the goods I have to buy that I did not need during my working life:

- Shoes. Because of foot problems, not unusual in the elderly, I now have to buy special shoes. These, with the special inserts, are very expensive.
- Transport. Walking is no longer fun, and neither is carrying groceries. So I have to have a car just for shopping. There is no convenient bus service.

Having started in the Commonwealth Public Service when I left school, I understood that the Service was a "career service", and that the lower salaries paid were compensated by the retirement benefits. Those benefits sounded pretty good seven years ago, but indexation to the CPI has eroded their value.

Monica McNamara

A handwritten signature in cursive script that reads 'Monica McNamara'.

TEL: 62480837