

2 March 2010

Committee Secretary
Senate Standing Committee on Finance and Public Administration
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Sir/Madam

SUBMISSION ON THE DRAFT BILL
FOR THE GOVERNANCE OF AUSTRALIAN GOVERNMENT
SUPERANNUATION SCHEMES

I am a retired air force officer who served for 42 years. Throughout my service I was reassured by the special provisions contained in the Defence Force Retirement Benefits Scheme and its successors for a lifetime pension for serving my country. The reassurance for me was the recognition of the special nature of our service conveyed by a dedicated pension scheme for Defence Force personnel, managed separately from other schemes. It was a Condition of Service.

I am keenly following the Government inquiries into military superannuation and while the current method of indexing of military pensions seems unfair, the discriminatory tax regime, compared to tax free allocated pensions, is a far greater concern to me. The proposed merger of the management of all Government superannuation pensions does nothing to assuage my concerns. The minority representation of military interests will virtually erase the independence deserved by the clear difference in the service provided by the uniformed ADF and other Government servants. It diminishes the inherent gratitude of the nation for the retired ADF members who survived the risks of military life.

I strongly object to the management amalgamation of separate superannuation schemes for Government employees. Other Australians are entitled to choose their superannuation fund(s) and change if the management performance is unsatisfactory. The successive ADF schemes have ensured the members, both serving and retired, that their funds are managed by dedicated staff and are entitled to special provisions guaranteed by the Federal Government.

Yours faithfully

John Macnaughtan