Issue 53 **September 2018**

THE SUPERANNUANT

Newsletter of the South Australian Government Superannuated Employees Association Inc.
Trading as SA Superannuants Established 1927 www.sasuperannuants.org.au

Membership Applications/Renewals
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From the President

Our illustrious President on a China trip in 2016.

Elsewhere in this copy of the newsletter I have written a "thank you" article from us to the Australian Education Union (SA Branch) (AEU) and the SA Public Service Association (PSA) for the most generous assistance they will give us in promoting membership of SA Superannuants. My article spells out the many things that these two organisations are prepared to do for us. Both organisations have done much to ensure that we retired State public servants enjoy quality superannuation in our retirement. They continue to do so directly through Super SA, the Government of the day and the Superannuation Federation of which we are all members. I hope that when the opportunities arise you will continue to support them when voting for members of the boards of Super SA and Funds SA.

Your Executive Committee intends to approach other organisations representing public servants and retired public servants eligible for, or in receipt of, State Government superannuation schemes. Our aim is to attract more members, attract more people to our General Meetings and recruit more members for Committee work. SA Superannuants has existed since 1927 and I hope that it will still be a vigorous organisation 100 years later in 2027, even if I am not around to celebrate such a milestone.

One thing that all members can do to assist your Executive Committee is to recommend persons of high quality and good speaking ability to our Guest Speaker Coordinator, Ian Beckingham. An example of this is the Speaker we have secured for the AGM next February, the Commonwealth Electoral Commissioner, Mr Tom Rogers. This was made possible through one of our members, Mr Andy Becker, the former State and Commonwealth Electoral Commissioner. You can see that we are already planning Guest Speakers for 2019 and suggestions from you would be much appreciated.

Peter Fleming

Issue 53 of The *Superannuant*

The CPI change that will be made to our pensions in October is 0.81%

Approach to, & response from the Australian Education Union (SA Branch) & the SA Public Service Association

Recently I had meetings with the General Secretary of the SA Public Service Association, Nev Kitchin, and the Branch Secretary of the SA Branch of the Australian Education Union, Leah York, seeking their assistance to promote SA Superannuants to their members approaching retirement. Both Nev and Leah were very positive and generous with their responses to my request. The purpose of this article is to publicly thank them and their organisations, and to inform members of the details of their responses.

1. Both agreed to establish links between our respective websites. Our Website Content Manager, Peter Frick, is already working with his counterparts in the PSA and the AEU to establish these links.

2. Both agreed to publish in their respective journals an article that I prepared, outlining the objectives and activities of SA Superannuants.

3. Both would welcome articles from us on superannuation matters of mutual interest for publication in their journals (the AEU publishes seven per year and the PSA four).

4. Most of you are aware that, each year, Super SA allows us to include a membership promotional flyer in an end of year publication which it sends out to all members of their superannuation schemes who are about to retire. Both the PSA and the AEU have agreed to publish, in one of their 'end of year' editions of their journals, an article identical to the above mentioned membership promotional flyer. (I might add here that we always gain several new members following the flyer which is included in the Super SA publication.)

5. The AEU sends out an information letter each year to members about to retire and is willing for us to have a paragraph in that letter. I have already given a paragraph to Leah York to include in her letter.

6. Both organisations are willing for us to promote our impending Guest Speakers through the website links and in their journals.

Many members of SA Superannuants were members of either the AEU or the PSA prior to retirement, and some remain Associate Members. These, and indeed all members of SA Superannuants, will appreciate this assistance which will be available to us each year.

Thank you very much PSA and AEU and Nev and Leah in particular.

Peter Fleming

Super SA Report

Annual Statements & your next CPI increase
It's that time of year again when we are busy preparing your annual statement and member newsletter. You can expect to receive both in early October, which coincides with your six monthly CPI adjustment. The CPI adjustment figures are provided by the Australian Bureau of Statistics (ABS). When the figures are released by the ABS Super SA uses the All Groups Index for Adelaide to determine what adjustments need to be made.

I encourage you to read the newsletter as it contains important information about your fortnightly pension as well as any important legislative updates that may affect you.

Super SA Strategic planning day
On 29 May this year the Super SA Board held a strategic planning session to discuss priorities and goal setting for the next three years.

This involves close scrutiny of our current member service offerings and how we can build on these to improve the member experience and deliver even greater efficiencies.

The Board has set the following five key themes to move Super SA forward:

1. Member engagement strategy
2. Future proofing the business
3. Product offering
4. Brand and people vision
5. Technology

We launched our new superannuation administration platform for some schemes on 7 May 2018. As you'd expect with any new IT system, there were teething problems. Unfortunately some of our members were negatively impacted by this and I can only apologise for that. We experienced delays on processing payments and longer than usual phone waiting times. These issues were challenging but our staff worked hard to return us to the service level standards we have always prided ourselves on.

Super SA's main aim is and always will be to support members during their working life and help them prepare for their retirement journey and beyond.

Get in touch!

If you have any questions regarding the above information or your Super SA pension account, please contact us on 1300 369 315 and one of our Member Consultants will be happy to assist you.

Dascia Bennett
Chief Executive, Super SA

Speaker's Corner

Talk by Professor Vic Gostin, guest speaker at the April meeting.
"Acraman Asteroid Impact in South Australia"

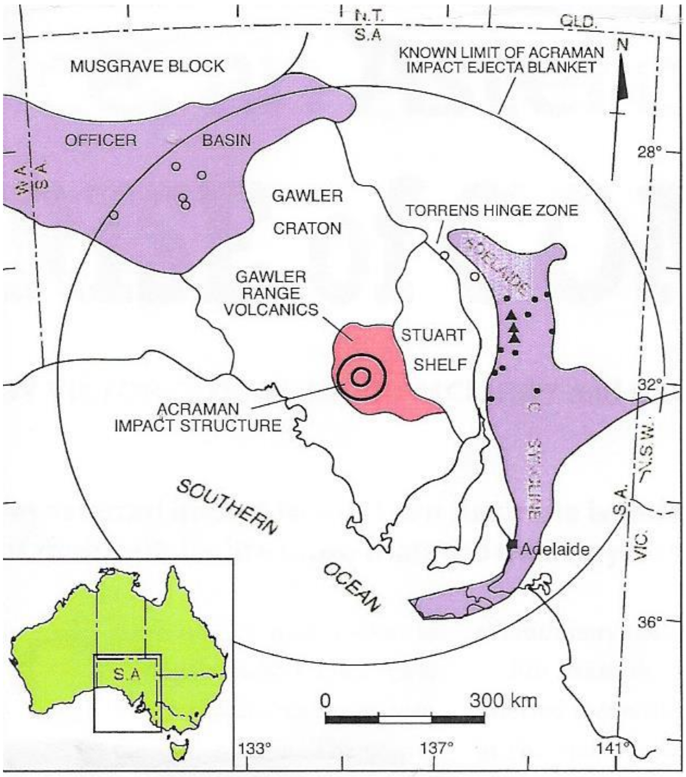
About 580m years ago, South Australia exploded in a ball of fire. A 4 km diameter asteroid from outer space, travelling at about 25km/second, hit the earth in the Gawler Ranges area. It formed a 40km crater, about 4km deep, and hurled rocks from the Gawler craton for up to 400 kilometres in all directions, especially into the shallow sea muds where now the Flinders Ranges have been formed. Huge clouds of dust were thrown into the atmosphere, darkening the sun light, and adversely affecting the global climate for several years. The rock fragments can be found in the now solid mudstone found in the uplifted, fold-mountains of the Flinders Ranges. The impact site now has a salt lake, named Lake Acraman, as its surface feature.

I have been lucky enough to visit it, once from the southeast, and once from the north east. The shallow lake is little more than a sandy bowl now, with thick bush patches around its banks.

We often have little idea what forces have been at work to form our land as it now appears. We enjoy visiting the Flinders Ranges for their rugged beauty, but, perhaps now, some of us will pay more attention to the geological information offered to the travellers by the Conservation Park Authorities in booklets, maps and pamphlets, to search for the evidence as found by Vic in many localities of the ranges. The accompanying map shows how wide spread the effect was.

Professor Gostin guided us through some of the research he and others have carried out to be able to put the story together with some degree of certainty.

A more comprehensive article can be found in the "Australian Science" magazine, May 2011.



The Acraman impact structure and known distribution of impact ejecta in the Adelaide Geosyncline and Officer Basin. Solid triangles indicate ice-rafted detritus and ejecta seen in close stratigraphic proximity in the outcrop; solid circles indicate ejecta seen in the outcrop; and open circles indicate ejecta recorded in the drill core.

Max Jahn

Letter to the Editor/Secretary

S.A. Superannuants. Dear Christine,

I live in an Aged Care Facility and agree with John Ling regarding with what John has written for the need of carers and nursing staff, many who hold senior positions, to have a 'good level of speaking and understanding of the English language'. I wonder how they have been able to gain registration as enrolled nurses and registered nurses. Some who have worked in this industry for years are difficult to understand and they find it difficult to understand me. I just accept it all now, not always graciously.

Regards, Peg Wyld

Potential directives to Funds SA

It is a pleasure to contribute to the SA Superannuants newsletter. In these articles I hope to keep you up to date with the happenings at Funds SA. For this the first one, we've focussed on 'who Funds SA is' and Funds SA's role in funding the defined benefit scheme. We hope you find it of interest.

Question: Who is Funds SA?
Answer: *Funds SA is the dedicated funds management specialist to the State Government.*
Our role is to manage the monies of the State's defined benefit schemes along with other superannuation, insurance and long horizon assets. In relation to superannuation, we manage the funds of the schemes administered by Super SA and the SA Metropolitan Fire Service Superannuation Scheme. Incidentally, while we trade as 'Funds SA' our formal name is the 'Superannuation Funds Management Corporation of South Australia'.

We are a locally based and globally connected organisation.
Locally we employ 40 staff and one interesting statistic demonstrates we are a great employer of the State's university graduates: 20 staff employed at Funds SA have graduated or are currently studying at a South Australian university across various disciplines including finance, economics, commerce, accounting, mathematics, property, computer science, management, arts and law.
Our global connections are very important, particularly in relation to investment strategy development. We manage over $30 billion, of which around 45% ($14 billion) is invested globally. Our staff have frequent interactions with our internationally based fund managers and advisors.
These organisations are constantly researching the current risks and opportunities in global financial markets. Our relationship with them provides Funds SA with unique access to market intelligence that is incorporated into Funds SA's investment strategy.
Over the past twelve months, Funds SA had in excess of 200 meetings with overseas funds managers. In addition, Funds SA receives a wealth of research material from such managers and research houses which is reviewed and interpreted for input to the strategy development process.

Building an investment portfolio for the defined benefit scheme
Funds SA invests and is responsible for the investment strategy of the State's defined benefit liability assets relating to the various defined benefit schemes. Since 1 July 1994, the State Government has undertaken a program that is intended to progressively fund its accumulated superannuation liabilities. This program has been set out over a 40 year period, with the intention of achieving complete funding of accumulated superannuation liabilities by the year 2034. The Government's annual past service liability payments and investment returns earned on the assets managed by Funds SA are expected to close the unfunded superannuation gap by 2034.
Funds SA has established a separate strategy for the defined benefit liability assets to achieve the 2034 funding objective. The defined benefit strategy holds a well-diversified mix of assets weighted towards shares and unlisted assets such as property, private equity and infrastructure which help lessen financial market gyrations and deliver a smoother return profile.

Jo Townsend
CEO Funds SA

Speaker program
September 2018 - February 2019

Meetings commence at 1.00 p.m. at the Pilgrim Centre, rear of 12 Flinders Street, Adelaide
Speakers and topics subject to change without notice.

Sept 24: Alice Jarvis
Legal Services Commission
Topic: "*Wills Power of Attorney and Advance Care directives*".

Oct 29: Denise O'Connell & Lyn Crossley
Arthritis Foundation SA
Topic: *"Arthritis: Types and Treatments"*.

Nov 26: Patrick McMurray
Wilderness Foundation
Topic: *"The Murray Darling Basin"*.

Feb 25: (Not to be missed) **Tom Rogers**
The Australian Electoral Commissioner
Topic: "*The Commonwealth Electoral Commission – functions and recent changes*".

Questions asked of the committee by Pam Jahn, one of our Partner Members

Some acronyms used in these answers:
SSS = Southern State Superannuation
AEU = Australian Teachers Federation
PSA = Public Service Association *editor*

Q1. **Does SA Superannuation Association take care of members of the Government Pension Scheme?**
SA Superannuants has been representing the interests of members since before the Second World War. This was the only superannuation scheme available to government employees until the early 1980s. The Pension Scheme was closed to new members in 1986, and in about 1990 a defined benefit lump sum scheme was opened. This was closed to new members about 1994 and since then the only scheme available to government employees has been the SSS which is an accumulation scheme. All this ignores several small schemes including those for police officers, ambulance officers and metropolitan fire service officers. Members of all the above-mentioned schemes are eligible to be members of SA Superannuants. We have taken an interest in other state government schemes insofar as they may impact on our members.

Q2. **Who looks after the lump sum scheme?**
There has never been an organisation, other than SA Superannuants, that represents the interests of the defined benefit lump sum scheme, and we can do relatively little for them. When the lump sum is paid on retirement members of this scheme would have to rely upon financial advisors and accountants if they were not confident enough to manage their own affairs. SA Superannuants would be unwise to encourage people to think that it can replace these advisors.

Q3. **Why doesn't our Association reach out to the current State Government lump sum employees?**
At our last two executive committee meetings we had extensive discussions on how we might attract more members including retired SSS members. We also discussed how we might attract more members to our executive committee. The actions we have currently underway are firstly, to approach the retired police pension fund members to see if they might like to join us at our general meetings. Ray Hickman has made contact and we hope to be meeting with them soon. Secondly, we had a first and very successful discussion with the AEU to seek their assistance to use their communication systems to promote SA Superannuants - AEU journal, website link and their retiree's letter. Thirdly, the President and Secretary will meet with the CEO of the PSA, Nev Kitchen, to seek similar support as we will be receiving from the AEU.
The AEU and the PSA have now been approached with success. See article: "report from President".

Q4. **What could SA Superannuants do for the lump sum scheme members?**
1. If the scheme were ever converted to a taxed-source scheme SA Superannuants could use its experience with EISS to protect members from being short-changed.
2. SA Superannuants could argue for members to use only their own account balance to fund transition to retirement pensions. This is already being put to state MPs by the Association.
3. While the SSS can fairly be described as a lump sum scheme because the benefit is a lump sum it is not a defined benefit lump sum scheme. The defined benefit lump sum scheme has a lump sum component calculated from salary and years of service just as our pensions are. The SSS is simply the amount arising from contributions made and investment earnings. The SSS is an accumulation scheme.
4. Something that we could do for SSS members is argue for them to have the choice of fund but I do not know of anything else that we could do for them. Some SSS members would not be members of a union and so some may be attracted to us because we are free standing.

Q5. **How can the Association help these workers?**
While they remain employees there is little that we can offer them. When they retire, and if they approach us in sufficient numbers, we may be able to offer them similar assistance as we provide our present members. At this point in time our resources are stretched and we cannot do much more than we do now. If our attempts to gather new members are successful then we may find more volunteers for committee work. One of the first tasks would be to find out what members of the SSS would want from our Association other than the fellowship of general meetings.

Peter Fleming

Letter to the Editor

Fund Managers & Sole Purpose Test

The Federal requirement for funds management of superannuation is that the sole purpose be for the benefit of members of the fund. This 'sole purpose test' was legislated during the 1980s and to the best of my knowledge has not been changed. In that case the Marshall Liberal Government in SA would be in breach of Federal legislation if it were to insist on any other characteristic of fund managers than results e.g. that they have a presence in SA.

I was a personal financial planner between 1989 and the early 2000s, within an independent financial planning group, and hence with no requirement or expectation that I would recommend client funds be invested through a parent body such as a bank funds management group. The current kafuffle through the Royal Commission shows the dangers of having an expectation which does not precisely reflect the sole purpose test.

Even if there is a competent funds manager group based in SA it would be inappropriate for them to be chosen on any other basis than results.

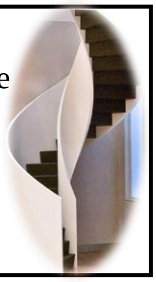
As a pension scheme member I have no vested interest in this issue, but I suggest that on behalf of later scheme members the argument be based on non-compliance with the sole purpose test.

Mal Hutton

Due dates for articles 2019

21st January	distributed by 10th February
21st April	distributed in May
21st August	distributed in September

Thought provoking?
A visitor, while climbing up steps inside a cathedral spire, asked the guide, "How many steps are there?"
The reply was, "If you take them two at a time, only half as many."



Disclaimer: *Readers should not act, or refrain from acting, solely on the basis of information in this newsletter, but should consult the relevant authorities and advisers.*

Nominations SA Superannuant 2019

Nominations are called for the officer and committee positions on the Association's Executive Committee

President
Vice-President
Secretary
Treasurer
Membership Officer
Assistant Secretary
Guest Speaker Co-ordinator
Committee member (6 positions)

The constitutional provisions are given at http://www.sasuperannuants.org.au/index.php?id=52

Please email the Secretary with your nomination: venncm@gmail.com by 21 January 2019.

Coordinator's notes

We had a need to contact ALL members recently, when promoting an appointment of our representation on the all important Funds SA, which is the body overseeing the investment of our money. It suddenly became obvious how important it is to have EVERYONE'S EMAIL ADDRESS. Even if you do not want the newsletter sent by email, how easy it is to contact you by email when we have an emergency. If you did not receive the urgent communication about Kevin Crawshaw, please drop me an email identifying yourself for your email to be entered on to our data bank. If you do not have an email address, we will happily continue corresponding with you by post.

I'm delighted to see new names of members associated with articles in this edition. There is a wealth of knowledge and experience out there amongst you all. Sharing them with the rest of us is refreshing and benefits us all.

Treat the newsletter as a means of communicating with each other. This will make the publication more worthwhile. The committee always vet the final product before being sent to the printer, so you can rely on the information.

Max Jahn

From your Membership Officer

The members who have paid for life, or who are already paid up, are welcome to read my homily,

but do not need to pay any more.

You may find it fun to read.

"You know"

This is the most frequently used speech mannerism "you know".
People unconsciously use "you know", "you know" often to excess.
Listen to everyone "you know" who speaks to you: your friends "you know", the media interviews, "you know" especially other people's "you know" conversations.
Especially "you know" to listen to yourselves "you know".

Here is the proper use of the term, "You know".

"You know" how quickly the year goes by.
"You know" how it catches up with all of us.
Well, do "you know"

150 of you have membership fees due at the end of this year?

That's right, now "you know".
"You know" that time of year has come again.

Do "You know" to check the back page of this newsletter to see your expiry date".
You do know! Good. Then do it now, so "you know" if you're due.

We lost 27 members last year who did not renew at the end of 2017, even after I chased them up with reminding emails and reminding letters.
It is more than enough that, already this year, we have lost 23 through death and incapacity and 25 through losing contact through unknown addresses.
"You know" we can't afford to lose any more. "You know" we are a diminishing association through "natural attrition". That's bad enough "you know".
So, now "you know" to

pay your fees NOW before you forget,

and especially "you know" to

get them in before the end of the year.

Have a happy Christmas.
It will be here before
"you know".

Max Jahn

Joining & Renewing

Fees And How to Pay

Current Fees:

Annual Member: $15, partner = $5.

Life Member: age under 60 = $270,

60-65 = $220, 66-70 = $160, over 70 = $130.

Partner Life Member = $50.

***Receipts** will be sent for Life Memberships. Please include a stamped self-addressed envelope for others.*

a) Paying by cheque or money order

Please send your postal payment to:

Membership Officer
S.A. Superannuants
P.O. Box 348
Modbury North SA 5092

Email: pmjahn@bigpond.com

b) Bank transfers & personal deposits

*Please make sure that the payment is accompanied by your name and suburb, **and** please notify the membership officer of its date and sufficient details to identify you as the payer:*

Bank SA: BSB 105-900
Account number: 950313840

Account name: SA Superannuants

c) New members

When paying by one of these methods, please send a membership application form to the Membership Officer so that your necessary details can be recorded.

On the next page a form is provided for new members to join, and existing members to renew their annual membership, convert it to a life membership or notify a change of address.

Member Details & Payments

Existing Members
Our records show your details as:

Please indicate errors or changes:
....

....

Email address ....@.........................

New Members Title .... Gender ....
First Name Last name
____

Postal Address ______________________________

____

Year of Birth ....

Home phone ....

Mobile phone ....

New *and* Renewing Members

Payment Amount $....................
Purpose of payment (tick relevant box)

- ☐ Renew annual membership ($15 p.a.)
- ☐ Life membership (see scale page 7)
- ☐ Change Annual to Life (see page 7)
- ☐ Partner annual membership ($5 p.a.)
- ☐ Partner life membership ($50)

Email address

..................................@.....................................

Signature.................................. Date..................