

THE SUPERANNUANT

Newsletter of The Association of Public Sector Superannuants Inc.
Formerly SA Superannuants Established 1927
<https://www.pssuperannuants.org.au>

Membership Applications/Renewals

The Membership Officer, A.P.S. Superannuants, PO Box 8202, Ferntree Gully, Victoria 3156
E-mail: apssuper1927@gmail.com

General Correspondence

The Secretary, A.P.S. Superannuants, GPO Box 2036, Adelaide S.A. 5001
E: apssuper1927@gmail.com

From the President

PS Superannuants Committees - Since our February AGM, PS Superannuants has been working on several matters that will be covered in this edition of *The Superannuant*.

Your committee in SA is settled with a new face or two and several familiar ones. The Sub-committee in Melbourne is also back at work getting things done. These



people are all volunteers who give freely of their time and experience to work on your behalf.

Commonwealth Superannuation Corporation - The 3RD Act Newsletter - To all Commonwealth people – another reminder that the 3rd Act Newsletter is available online. If you haven't already registered to receive the newsletter via email, go online at csc.gov.au and check out the publication.

Contact with the CSC – Again for the information of our Commonwealth members, we have been in discussion with John Pauley the President of ACPSRO (Australian Council of Public Sector Retiree Organisations), looking at how we might work together with the Commonwealth Superannuation Corporation to improve communications between our organisations to the benefit of members. This will be a topic of further discussion at our strategic planning session in Adelaide in May.

Membership Officer – we were pleased to welcome Don Campbell to the role of Membership Officer. Don participates in the Adelaide committee meetings via ZOOM. He is also on our Victorian Sub-Committee and will manage membership from Melbourne. Peter Frick, who stepped up after Max Jahn retired, will continue to be on hand at general meetings to deal with membership enquiries. Thank you, Don and Peter.

Legislating The Objective of Superannuation – thanks to the efforts of Lindsay Oxlad who collated feedback comments from members, we submitted a detailed response to Treasury on their consultation paper. A report from Lindsay is included in this issue.

Guest Speakers – our general meetings are well attended by members who in addition to hearing about PS Superannuants matters, no doubt come along to be entertained and informed on a range of topics by our guest speakers. If you have a topic you want to hear more on, or if you have the name of someone you would like to hear from, please provide those details via the Member Survey currently on our website. If you want to catch up on past speakers, you should check out our website: pssuperannuants.org.au.

Advisory Group – we are still looking for someone to take on the role of Chair of the Advisory Group. Ideally that person would have an in-depth knowledge of superannuation and related matters. So, if you have the knowledge and would like to be considered for the role, please contact me or any committee member.

Strategic Planning – where to from here? Our strategic planning day in May is an important part of our determination to review and work out the

sorts of things we should be addressing on behalf of members, and to set up an achievable succession plan to name people who will actually take on the roles on committee and do the work. **If you have something to contribute and perhaps see yourself taking on a role as a member of the committee, please let us know. Take care.**

James Vandenberg

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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

Next Meeting

Our next Adelaide General Meeting will be held on Monday May 29th at 1pm Mead Hall, Flinders Street Baptist Church, 65 Flinders Street Adelaide. The speaker at this meeting will be a representative of SA Water who will cover a variety of topics including how you can save this precious resource – water.

Future Speakers

June 26th SA Forensic Science Department
July 31st Grant Lock author and his experiences and work in Afghanistan (TBC)

Keep The Dates

Other meetings will be on:

28 August
 25 September
 30 October
 27 November

LEGISLATING THE OBJECTIVE OF SUPERANNUATION – COMMENTS ON THE CONSULTATION PAPER

The Association of Public Sector Superannuants, Incorporated (APSS) welcomes the opportunity to comment on the Treasury consultation paper, *Legislating the Objective of Superannuation*.

The APSS represents the interests of former employees of the Commonwealth and South Australian Governments, now retired and in receipt of untaxed defined benefit pensions paid from the South Australian and Commonwealth Government superannuation schemes established under specific South Australian and Commonwealth superannuation legislation.

The superannuation schemes are administered by Super SA and the Commonwealth Superannuation Commission respectively and as such are not APRA regulated entities covered by their prudential supervisory policies and standards.

Although the enabling legislation for the South Australian and Commonwealth schemes specifies their administrative structure and governance arrangements it does not specify how they will achieve the Objective of Superannuation as detailed in the consultation paper.

The APSS considers that the enabling legislation for the existing SA and Commonwealth schemes should be amended to incorporate the proposed Objective of Superannuation as their foundation as part of the proposed legislation.

It is unclear how the proposed to legislate the objective of superannuation will benefit APSS members unless it is enshrined in the South Australian and Commonwealth enabling legislation covering the members defined benefit pension schemes.

In addition to this submission, the APSS notes the 28 February 2023 announcement by the Minister for Financial Services, Hon Stephen Jones MP, that Treasury will consult on the Government's Better Targeted Superannuation Concessions proposal.

On the matter of taxation of superannuation, the South Australian and Commonwealth defined benefit pensions, by virtue of their untaxed status at source, remain taxable income for life and any additional income, including the Aged Pension, is added to the superannuation income, and taxed at the marginal tax rate for the combined income. The Medicare levy is also paid on the combined income.

What do you see as the practical benefits or risks associated with legislating an objective of Australia's superannuation system?

The APSS supports both the wording of the Objective of Superannuation and the Government's proposal to enshrine it in legislation.

The APSS considers that the practical benefits are that it will remove the issue from the political cycle and provide the foundation for future retirement incomes policy settings, regulation, and the design (and marketing) of retirement incomes products, policy, and planning for the benefit of contributors, retirees, regulators, and trustees.

It will ensure its durability and de-risk superannuation governance, products, and performance with a clear statement of expected outcomes and associated tax concessions and assist regulators in carrying out their mandated prudential supervisory role within the whole superannuation sector.

It will ensure that superannuation savings are preserved to provide for a dignified retirement and do not get diverted by governments or others for other purposes that detract from the objective of superannuation.

It will also provide confidence to the market and contributors as well as trustees and funds and therefore regulators.

It however must be equitably applied to all parts of the superannuation sector covered by Federal or individual State and Territory superannuation legislation to prevent unintended consequences arising that disadvantage particular sectors or cause hardship to particular cohorts in society at the expense of others.

In framing the legislation in the current superannuation landscape, it will be necessary to consider:

- Managing financial risks in retirement and the need to fund irregular/ unexpected large expenses.
- Clearly define the characteristics of a dignified retirement and associated retirement income level to provide clarity for superannuation policy makers, financial planners/ advisors and for individuals making superannuation contributions and planning for their retirement.
- Its impact on the following areas:
 - o Impact on existing and future accumulated personal superannuation fund contributions and savings made over a working life of 40 years or longer.
 - o Impact on the ability of retiree's ability to withdraw lump sum amounts from their accumulated superannuation savings.
 - o Impact on the flexibility to transfer between schemes (e.g., between accumulation and income stream schemes and the like).
 - o Impact on income stream drawdown limits.
 - o Impact on retirement plans and standard of living.
 - o Impact on Transition to Retirement schemes.
 - o Impact on the Home Downsizer superannuation contribution scheme.
 - o Impact on the First Home Saver scheme.
 - o Impact on Defined Benefits schemes.
 - o Retrospective impacts if legislation is applied retrospectively.

Does the proposed objective meet your understanding of the objective of the superannuation system in Australia?

The APSS considers that the proposed objective meets its members understanding of the superannuation system and that it needs to ensure that it applies across the superannuation landscape, Commonwealth, State, Territory and Local Governments and the private sector that are governed by the superannuation legislation and policies in each jurisdiction not just the

Commonwealth legislation under the SIS Act by APRA.

For example, the proposed legislated Objective of Superannuation should apply to the South Australian superannuation schemes under the SA Super Act and the equivalent Commonwealth schemes that are under a less rigorous regulatory regime to protect retirees' retirement income.

Is the proposed approach to enshrining the objective in legislation appropriate? Are there any alternative ways the objective could be enshrined?

The APSS considers the proposed approach is appropriate as it removes the issue from the political cycle and provides confidence to the market and contributors as well as trustees and funds and delivers on the equity and sustainability requirement.

Alternative ways by way of policy and regulation are not considered adequate to achieve the desired outcomes in the short and long terms and will not reduce the risk of capricious policy settings that erode the purpose and objective of superannuation (e.g., through early withdrawal of superannuation savings for non-retirement income purposes placing an added burden on the Aged Pension system in the long term).

From a national sustainability perspective, the aim of the superannuation system should be to minimise the number of people receiving the Age Pension.

What are the practical costs and benefits of any alternative accountability mechanisms to the one proposed?

The APSS considers that there is no alternative accountability mechanism that would firmly enshrine the objective of Australia's superannuation system.

History shows that the existing accountability mechanisms are unsatisfactory, requiring costly ongoing intervention and close prudential supervision by APRA and ASIC and along with the current ambiguity about the clear purpose and objective of superannuation places a cost burden on taxpayers.

Enshrining the objective of superannuation in legislation will simplify the regulatory regime and reduce the cost burden faced by fund members and trustees as well as Commonwealth and State and Territory governments and the whole superannuation sector and the financial services and advice sectors.

In conclusion, the APSS looks forward to working with the Treasury on the implementation of the Legislating the Objective of Superannuation proposal.

Moreover, as the ambit of the Better Targeted Superannuation Concessions proposal will likely include consideration of persons in receipt of untaxed defined benefit pensions, the APSS requests that it be included in the consultation process and invited to make a submission on the proposal on behalf of its members.

Lindsay Oxlad

Interim Membership Officer Report

This will be my last report in my capacity as interim Membership Officer as the handover to the elected Membership Officer, Don Campbell will occur during May.

Don is located in Victoria and has opened a new Post Office box there. The new address can be seen at the top of this newsletter and is also featured on our web site. All other communication and payment matters will remain the same.

Currently the Association has 1,532 members of which 1,040 are Life Members. Alarming 130 of the annual members are unfinancial as this newsletter goes to press. Information about your financial status as at April 30th can be found either at the end of this newsletter in the case of posted Superannuants or in the covering e-mail in the case of the e-mailed Superannuant.

Unfinancial members should urgently remedy this situation before a new password is allocated to the website's Member's Portal. Unfinancial Members will be removed from our database at the end of May.

Peter Frick Interim Membership Officer

Communications Manager's Report

Financial members will receive by e-mail in late May an updated password to access the Member's Portal on our web site. This area is exclusive to members and contains minutes of the Executive

Committee, current year issues of the Superannuant should you misplace your copy and important communications sent by the executive on your behalf. At the risk of sounding like a broken record if you have changed your e-mail address, please let us know. Even better if you have an e-mail address and we do not have it please pass it onto us. Members without an e-mail address get 3 communications a year from us. Those with an e-mail address get a minimum of 13 communications a year as well as the opportunity to be involved in consultations on matters that may be of concern to you.

Peter Frick Communication Manager

Advisory Group Convener Wanted

Interested?

Please contact James Vandenberg President for a chat.

T: 8242 1601

M: 0407 795 163

E: apssuper1927@gmail.com



Meet our new Membership Officer

Don Campbell is our newly elected Membership Officer. His election underlines the association's



emerging broader outlook outside of South Australia as he will conduct his role from his home state, Victoria. Don is married and has family living in the USA. He retired from the

Commonwealth Public Service after 34 years of

experience. Don is a former Returning Officer with the Australian Electoral Commission and has worked on Democracy and Governance projects overseas in ten different countries. He is an Area Coordinator with Emergency Management, providing emergency ministry during times of crisis.

He is involved with his local church as Property and Safety Officer where he has prepared several grant applications.

Don is looking forward to his new role as National Membership Officer whilst supporting the Victorian Sub-committee of PS Superannuants

Victorian Branch Report

The first 2023 meeting of Victorian members was conducted on 29 March 2023.

Guest Speaker: Michael Evans,
Treasurer PS Superannuants

Topic: PS Superannuants submission to the 2023 Federal Government pre budget considerations.

Michael presented this topic via Zoom, to both the members at the meeting venue in South Melbourne and those Victorian members who joined the meeting via Zoom. By combining these methods of presentation, almost a third of the Victorian membership accessed the meeting.

Michael explained the 2023 PS Superannuants submission has one key request.

Aged Pensioners who receive other income in excess of \$336 per fortnight lose 50c, of aged pension for each dollar earned over that amount. This is effectively the highest "tax rate" for income earners in Australia.

When this deduction of pension is compared to the lower income tax rates for those earning significantly higher incomes, it is an unfair and inequitable impost on impacted aged pensioners and a disincentive to supplementing aged pension income by working temporarily or part time.

The PS Superannuant submission requests this policy be changed. The full submission can be read here:

<https://www.pssuperannuants.org.au/wp-content/uploads/2023/03/May2023pre-budgetsubmission.pdf>

PS Superannuants executive decided on this strategy as it is a simple concept to advance, it is aimed to assist those at the lowest end of retiree's income levels and it shows strong solidarity with most other Retiree Organisations, who made the similar submissions. Our support adds "strength in numbers".

PS Superannuants Website. Presented
by Don Campbell

Don provided a "walk through" demonstration of the features of the PS Superannuants Website.

Other Matters Discussed.

- How to invite Colleagues to see the merits of APSS membership.
- How to renew Membership at the meeting.
- Discounted Qantas Club membership as a feature of membership.

PS Superannuants in Victoria can attend meetings which are held on the last Wednesday of March, June, September and November.

Meetings are held at:

South Melbourne Community Centre, corner Park Street & Ferrars Place, South Melbourne, Victoria.

Meetings are easily accessed from Flinders Street Station via a short tram ride and free 2-hour car parking is available surrounding the venue.

Please note in your diary:

The next Victorian PS Superannuant members meeting will be on Wednesday 28 June 2023.

Victorian Meetings Planning Group

A small group of Victorian members plan and organise our Victorian meetings. They meet approximately 3 weeks prior to each quarterly meeting online, via Zoom. Approximately one week after each meeting they meet again on Zoom to review the meeting and plan for the next one. Victorian based PS Superannuant members who would like to participate in the planning and running of the meetings, or have ideas for topics or speakers, are welcome to join this group. Contact the group at:

apssuper1927.vic@gmail.com

Participation - Help to make PS Superannuant meetings relevant to you and other members.

To get the best value from your PS Superannuant membership, you need to actively participate. Attend Victorian meetings or join in online so you can get the information provided.

Your voice will be heard, and your questions can be answered.

Use the information provided by PS Superannuants to lobby for your issues to be addressed by policy makers.

Reminder

Don't forget to ask your former colleagues to join you as a PS Superannuant

Richard Clough

What Does the Future Look Like?

PS Superannuants was established in 1927 and a lot has changed since then!

Given the many changes in society, technology and to membership needs, the Executive Committee will be conducting a Strategic Planning Session in Adelaide on 30 May 2023, to evaluate the current state and the future options for the Association, remembering that:

“PS Superannuants is an organisation run by volunteers”.

In preparation for this planning session the Committee are keen to hear from you and are seeking your feedback and suggestions via a member survey.

The survey is available on the association website until 24 May 2023 and accessibly via <https://forms.gle/8Rk1J4CMVQ3wyKpG6>

Alternatively, you can tell us what you think by completing the survey questions at the end of this newsletter and posting your responses to PS Superannuants, GPO Box 2036 Adelaide SA 5000.

Postal responses must be received by Friday 24 May 2023.

Please have your say about what you want from the Association in the future and let us know if you are prepared to assist the Association by joining or contributing to a committee or working party or if you would like to participate in the Adelaide Strategic Planning Session on 30 May 2023.

Treasurer's Report

I believe the Association faces two serious threats to its continued existence. The first is the difficulty of filling committee positions; when Dianne our present secretary joined us, she appeared at the last minute, when we were desperately considering juggling jobs among existing committee members. The Association relies on the hard work of committee members. If too few people are prepared to join the committee there is a strong chance of the Association becoming defunct. The situation will be serious next year as James, President, and Dianne, Secretary, have both indicated that they will not continue in 2024.

The second threat is our financial situation, although our bank balance appears to be healthy,

in fact this is somewhat deceptive. Of our 1532 members only 492 are annual members and of these only 362 are financial. Given that our expenses are around \$20,000 p.a. this means that less than half of our expenditure is covered by income from dues. The situation has been ameliorated in the last few years by the influx of former SCOA members, including many life members. Also, you, our members, have responded generously to our 2021 appeal for donations.

To try to improve the financial situation, the committee accepted my recommendation of a fee increase this year; this was put as a motion to the AGM this year and passed unanimously. The new fees are indicated on page 7 of this newsletter.

Our present financial situation is still the same as I set out in the May 2021 newsletter: our income from membership dues is well short of our expenditure. At that time, I appealed for purely voluntary donations, suggesting \$10, or more if you wish. Your response has been very generous, for which I thank you sincerely. May I take this opportunity to repeat my appeal, please mark any donation to our bank account "Donation". Our BSB is 105-900, account number 0950 313 840, account name PS Superannuants.

Michael Evans Treasurer

Super SA Significant Event Notice

Recently members of SuperSA would have received a significant event notice which informed them that future correspondence with them would occur digitally via their web site or by e-mail. PS Superannuants support this methodology as we are cognisant of the cost of the more traditional methods of communication. However, PS Superannuants understands not all members have an internet presence, and we are concerned that at present the only way for members to change the default means of communicating with SA Super from digital to postal is via the SuperSA website. We have written to SuperSA asking that they consider taking phone or written requests to change from the default in the case where members may not have an internet presence.

Joining and Renewing

Fees and How to Pay

ANNUAL:

\$30

LIFE:

Under 60 yoa **\$400**

60 to 65 yoa **\$350**

66 to 70 yoa **\$300**

Over 70 yoa **\$250**

Partner FEES

ANNUAL: LIFE:

\$10 \$100

Receipts will be sent on request. Please include a stamped, self-addressed envelope for postal receipts.

a) Joining & renewing online

Complete the appropriate forms at:

<https://www.pssuperannuants.org.au/how-to-join/>

b) Bank transfers

Please make sure that the payment is accompanied by your name and suburb with sufficient details to identify you as the payer. Please also send a completed renewal or application form by post or e-mail

Bank SA: BSB 105-900

Account number: 950313840

Account Name: SA Superannuants

c) Paying by cheque or money order

Please send your postal payment with the renewal or application form to:

Membership Officer

S.A. Superannuants

PO Box 8202, Ferntree Gully, Victoria 3156

E-mail: apssuper1927@gmail.com

d) New and Renewing members

When not renewing or joining online, 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 this purpose if you do not use the online option. It can also be used to convert to a life membership, notify a change of address or phone number.

Member's Details and Payments

Existing Members

Our records show your details as:

New and Renewing Members:

Title..... Gender.....

First Name

Last Name.....

Postal Address

.....
.....

Year of Birth.....

Home phone.....

Mobile phone.....

E-mail

Department you retired from

.....

Payment amount \$.....

Purpose of payment (tick relevant box)

- ☐ Renew annual membership.
- ☐ New Annual Membership
- ☐ New Life membership
- ☐ Change annual to life.
- ☐ Partner Annual Membership
- ☐ Partner Life Membership

Newsletter

☐ by post ☐ email

Signature

Date

Survey Questions (attach extra pages if necessary)

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1. How do you currently rate the information and or support you receive from the Association out of a **maximum of 10**?

2. What services or information would you like to see the Association provide in the future?

3. Does the Association provide you with relevant and timely information about proposed changes to superannuation? Yes /No
4. The Association is facing a tough future, what do you believe it needs to do to survive?

5. Are you prepared to assist the Association by joining or contributing to a committee or working party? **Yes /No**
6. Would you like to be considered for attendance at the Strategic Planning Session in Adelaide on 30 May 2023?
Yes/ No
7. If you would like to be considered for attendance at the Strategic Planning Session, what do you believe you can contribute to the process? -

8. The Association provides Guest Speakers at General Meetings both in South Australia and Victoria, what other social, health and wellbeing services or information could the association provide in the future?

9. Is there any additional information you would like to access from the Associations website?

