

TASMANIAN ASSOCIATION OF STATE
SUPERANNUANTS
SUPER-NEWS

ISN.5605 May 2009 No 2/09

The Newsletter for and by TASS members

35 Years Old

To contact the TASS executive

President: Tony Robinson 62652238
V.Pres. Charles Thomas 62485902
Secretary: Tom Ellison 62283113
Membership Kevin Hardy 62286485
Treasurer Malcolm Kays 62232394
Editor Tony Haig 62601026

E-mail haig@keypoint.com.au

TASS Web Site www.tass.org.au

Postal Address
P.O. Box 66
New Town
Tas. 7008

Fax No. 03 62282018

INDEX FOR THIS ISSUE

Page 1 Editorial
Page 2 Meetings
Page 3 cont.
Page 4 ACPSRO report
Page 5 Who pays for super?
Page 6 Ambiguity
Page 7 Who is Surv. Partner?
Page 8 cont.
Page 9 Church Bloopers
Page 10 Comp. Help
Page 11 cont.
Page 12 Useful Contacts

**Northern Luncheon and
General Meeting
Tuesday 19th May
Riverside Hotel/Motel
407 West Tamar Highway
Starting at 12 noon
Ph 63272562 or 0414770864
Before Fri 15th May**

EDITORIAL

In this issue we have a number of items which should be of interest to all. For those in the North of the State we have our general meeting. The report of our AGM mentions some items covered that were of keen interest to all those members present. These will also be discussed at the Launceston General meeting.

Page 4 outlines the current activities of our peak body, ACPSRO. This is followed by an item which should interest all who get RBF superannuation. 'Who really pays for our Super?' Then an item from RBF obtained following a request from TASS on behalf of members. 'Who is the surviving partner?' This is a question that RBF must verify more frequently in our changing times.

Helpline for those using computers has returned and also some lighter humour has been included. *Ed.*

FUTURE MEETINGS



**Northern Luncheon and
General Meeting**
Tuesday 19th May
Riverside Hotel/Motel
407 West Tamar Highway
starting at 12 noon

Executive Meetings

Tuesday 16 June
Tuesday 21 July
At Forestry Tasmania
Starting at 1.30

Report on the AGM

The format for the AGM this year differed slightly from that on previous years. It was close to 35 years ago that the Association of State Superannuants was formed. The unfortunate abbreviation 'ASS' was replaced by the more suitable 'TASS' with the addition of 'Tasmanian' to the title after a few years. Our Secretary, Tom Ellison, distributed a summary of some of the interesting history which listed those who began the organisation and those who continued to shoulder the responsibility over the years. President Rob. had completed his 3 year term and Lance had given advice that he would not be standing for the position of Treasurer. The reports of the President, Treasurer and Membership Officer were discussed and accepted. In his report Lance

recommended that the subscription rate be unchanged. The following were elected to the executive for 2009:

President	Tony Robinson
Vice-president	Charles Thomas
Secretary	Tom Ellison
Treasurer	Malcolm Kays
Minute Secretary	Kay Jones
Membership	Kevin Hardy
Super-News	Tony Haig
General Committee,	Rob. vanSchie, Lance Brown, Mal. Jones, Geri Bitt, Brian Richardson and John Chalmers.

Following election of the new executive, Tom Ellison moved a motion that was seconded by Tony Robinson that Life membership be granted to Rob. vanSchie, Kevin Hardy, and Tony Haig. This was carried with acclamation. The AGM then closed and was followed immediately by the March General meeting.

General Meeting

The main item in this meeting was discussion on 'The Global Recession and its effect on Superannuation.' Rob. opened the discussion and covered the following points

- Defined Benefit Super.
- Centrelink Age Pensions
- Allocated Pensions
- Indexation

Comments and questions were then invited from the floor.

Tony Robinson reminded members of the need for a strong TASS to represent the views of Tasmanian Superannuants. He also reassured members that the present system is secure and

also enshrined in State and Commonwealth legislation.

Ross Butler, the member for Franklin, and an active TASS member, agreed that TASS must remain vigilant for any future changes in legislation. He also drew attention to an RBF error discovered in 2007, regarding the 97/98 tax year. (More on this later in this issue)

The executive would like to thank all those who were able to attend, especially those many who contributed to discussion at the meeting. Ed

Below is a letter from our then President Rob.vanSchie, printed in the Mercury newspaper a few months ago. It relates well to the item printed on page 5

Dear Editor.

Here we go again. Each time the Government has a problem with its finances it brings out the hoary old chestnut of Unfunded Liability (Bartlet stung by massive super liability, Mercury 16 December). If the Treasurer took out a mortgage for a new house to be paid off in 20 years and then worked out the present value of his total unfunded liability he too would wake up in fright each night. However if he calculated his annual liability as a percentage of his annual income, that figure would be an acceptable expenditure. And so it is with the Government's superannuation liability. A back of the envelope calculation gives 3% of the Government's total annual outlay as the cost of its annual liability. And this percentage will diminish with time because the defined benefit scheme has been closed since 1999. Can Treasury and its actuaries please calculate and publish this figure, so that this chestnut can be buried once and for all. Rob. vanSchie

Renewing old Contacts

A number of our members have commented on the pleasure that they get catching up at our annual luncheons with workmates they have not seen for many years. Super-News goes out to 1000 homes 4 times a year and acquaintances have been renewed via this medium. Although we will not divulge information on our membership data base, we could be the active means of old workmates getting in contact.

If there is someone who worked in the public Service or a semi government instrumentality that you would like to contact, email or write to the editor giving your name, contact details, where you worked and the name of the person that you wish to contact. We will then Phone, email or write to that person advising of your request. Where we do not have contact details we will ask in Super-News if anybody is aware of the address of the person. If the person of interest wishes to be contacted then we will facilitate this. Keep it in mind. After the previous issue of Super-News, I received an email from U.K. asking if one of our contributors was a person who worked in Melbourne some years ago. A phone call confirmed this to be correct and now one of our members has re-established contact with a previous colleague after a number of years. Ed.

Australian Council of Public Sector Retiree Organisations

Summary of activities in 2008

ACPSRO is the peak council for eleven organisations representing retired civilian and military public sector workers from the Commonwealth, State and Territory governments. It represents about 700 000 persons. TASS is represented at its AGM, held in Canberra, by the President.

In March the Senate published the report of its Inquiry into the cost of living pressures on older Australians, "A Decent Quality of Life", which unequivocally backed wage based indexation for public sector and military pensions. The Government published its response in September conceding nothing. However during the year the following reviews were announced, and submissions were made by ACPSRO and its affiliates.

A comprehensive review of Australia's tax system by the Treasury Secretary Dr Ken Henry to be completed by end 2009. In it's submission SCOA included the anomaly created by Better Super with the taxation of additional, non superannuation income of superannuants receiving income from an unfunded scheme.

A review of the pension system by Dr Jeff Harmer. This will investigate measures to strengthen the financial security of seniors, carers and people with disabilities.

A review of pension indexation arrangements in Australian Government civilian and military superannuation schemes by Trevor Mathews, an Australian actuary based in England. Interestingly the Federal Department of Finance made a submission based on the additional cost to the present value of the Federal government's **total unfunded liability**. This was estimated to be \$28 billion, a figure guaranteed to torpedo the review! ACPSRO argued with the DoF to show the increase as a more realistic annual percentage of estimated Gross Domestic Product. This review has been completed, but the government has not yet released the report.

ACPSRO will also raise the Commonwealth Seniors Health Card issue with the relevant Minister. The anomaly between taxed and untaxed scheme pensions has been resolved by the government by changing the definition of income. However the Minister has so far refused to consider indexing the income threshold.

Rob van Schie

High income Surcharge

At our AGM, Ross Butler, the member for Franklin, advised members that RBF discovered in 2007, that a higher rate of tax for those on a high income should have been deducted from the 1997/98 tax year. Members who were affected were advised of this in 2007 and in addition to the outstanding tax were also asked to pay the interest for the intervening years. While the repayment of the tax was not in dispute the interest which over the period amounted to a significant sum seemed inappropriate as the error was made by RBF, not the individual. After much discussion between Ross and RBF, they finally agreed that the individual should not be required to pay the interest. Mr. Butler suggested that if any member did pay the interest before RBF agreed that it was unnecessary, that they contact RBF to correct this overpayment.

Who Really does pay our super?

From time to time in the Press one reads of the enormous Superannuation debt that is carried by either the State or Federal governments. (see page 3) In most cases the figure given is the present value of all the Superannuation payments that will be made in future years. This results in very large numbers and seems to be designed to impress the public at large. The more appropriate method of looking at this is to look at the annual payment. This is a dramatically lower figure and therefore not as impressive as the one normally used. This Superannuation is also often represented as if it is a gift from generous governments to their previous staff after their retirement.

Let us consider if it is indeed a 'generous gift' or is it 'a return on investment'.

As those of us who were employed in either the State Public Service or in one of the semi-governmental authorities (Hydro. Forestry etc.) would know, each of us was required to pay 5.5% of our salary throughout our working lives of up to 40 years. Many chose to pay at a higher rate of either 8% or 11% of their salary to allow for earlier retirement or to make up for lack of earlier service. Effectively this significant amount was paid to RBF and invested by them (partly in the Tasmanian State infrastructure) to gain capital appreciation. Over the last 40 years or so, this appreciation has been significant. The employer was also required to set aside an amount equivalent to about 13% of each person's salary as the employer's contribution to the future superannuation payout. If we take as an example The Hydro-Electric Commission as it was. The employer's contribution was not paid to RBF but used by the then H.E.C. to fund various power station development projects around our State (As ours is unfunded Super). That is, the money was used to develop the State for the benefit of all. A quick look at the H.E.C annual reports will show this investment as 'Provision for Superannuation'. It may be of interest to note that in the year 1997 this figure was \$M247 and by 2007 had grown to \$M407. That is money due to Hydro employees following their retirement but used to benefit State development. In the public Service case it was decided to pay the future superannuation payments from State revenue when it fell due. This effectively is also saying that the employer amounts were invested in developing the State infrastructure to be returned to the superannuant after retirement. So with both the employees contribution and the employers amount, the money set aside was either partly or wholly invested within the State for up to 40 years.

As in all business transactions, this would be valued as if invested at normal interest rates. As an approximation, each \$1000 invested in compound interest back in 1961 would now be worth in excess of \$60,000 in 2009. That is for a person on a salary of \$3,000 in 1961. That person would have paid \$165 and the employer would have earmarked \$390, the total being \$555. With compound interest this would have now grown to a present value of \$33,300. That is the present worth of the employee and employer amounts for only one year in career of up to 40 years. For the remaining 39 years, individual salaries increased due to increased responsibility and also inflation, however the term for the compound interest decreases for each subsequent year. If as a very rough estimate we simply multiply the \$33,000 by say 30 we get a present value of \$M1.

The point is that the superannuation payments are not a generous gift from the taxpayers but rather a return on funds effectively invested by both employee and by the employer over a large number of years to develop our State for the benefit of all Tasmanians. In Tasmania, it was the State Government which decided to use the superannuation contributions for State development (i.e. creating an unfunded superannuation liability) rather than create a separate superannuation fund with contributions on which Federal contributions tax had been paid, and invested in the general market place (ie. creating a fully funded superannuation liability) Both Victoria and New South Wales some years ago decided to fully fund their superannuation with the result that the 'paper' debt, as in the Tasmanian case, is minimised. *Ed.*

For those who love the Philosophy of Ambiguity

1. DON'T SWEAT THE PETTY THINGS AND DON'T PET THE SWEATY THINGS.
2. ONE TEQUILA, TWO TEQUILA, THREE TEQUILA, FLOOR.....
3. ATHEISM IS A NON-PROPHET ORGANIZATION.
4. IF MAN EVOLVED FROM MONKEYS AND APES, WHY DO WE STILL HAVE MONKEYS AND APES?
5. THE MAIN REASON SANTA IS SO JOLLY IS BECAUSE HE KNOWS WHERE ALL THE BAD GIRLS LIVE.
6. I WENT TO A BOOKSTORE AND ASKED THE SALESWOMAN, "WHERE'S THE SELF-HELP SECTION?" SHE SAID IF SHE TOLD ME, IT WOULD DEFEAT THE PURPOSE.
7. WHAT IF THERE WERE NO HYPOTHETICAL QUESTIONS?
8. IF A DEAF PERSON SWEARS, DOES HIS MOTHER WASH HIS HANDS WITH SOAP?
9. IF SOMEONE WITH MULTIPLE PERSONALITIES THREATENS TO KILL HIMSELF, IS IT CONSIDERED A HOSTAGE SITUATION?
10. IS THERE ANOTHER WORD FOR SYNONYM?
11. WHERE DO FOREST RANGERS GO TO "GET AWAY FROM IT ALL?"
12. WHAT DO YOU DO WHEN YOU SEE AN ENDANGERED ANIMAL EATING AN ENDANGERED PLANT?
13. IF A PARSLEY FARMER IS SUED, CAN THEY GARNISH HIS WAGES?
14. WOULD A FLY WITHOUT WINGS BE CALLED A WALK?
15. WHY DO THEY LOCK SERVICE STATION BATHROOMS? ARE THEY AFRAID SOMEONE WILL CLEAN THEM?
16. IF A TURTLE DOESN'T HAVE A SHELL, IS HE HOMELESS OR NAKED?
17. CAN VEGETARIANS EAT ANIMAL CRACKERS?
18. IF THE POLICE ARREST A MIME, DO THEY TELL HIM HE HAS THE RIGHT TO REMAIN SILENT?
19. WHY DO THEY PUT BRAILLE ON THE DRIVE-THROUGH BANK MACHINES?
21. WHAT WAS THE BEST THING BEFORE SLICED BREAD?
22. ONE NICE THING ABOUT EGOTISTS: THEY DON'T TALK ABOUT OTHER PEOPLE.
23. DOES THE LITTLE MERMAID WEAR AN ALGEBRA?
24. HOW IS IT POSSIBLE TO HAVE A CIVIL WAR?
25. IF YOU ATE BOTH PASTA AND ANTIPASTO, WOULD YOU STILL BE HUNGRY?
26. IF YOU TRY TO FAIL, AND SUCCEED, WHICH HAVE YOU DONE?
27. WHOSE CRUEL IDEA WAS IT FOR THE WORD "LISP" TO HAVE "S" IN IT?
28. WHY IS THERE AN EXPIRATION DATE ON SOUR CREAM?

Who is the surviving partner of an RBF member?

Is there a surviving partner?

When an RBF member dies, RBF is required by legislation to carefully consider whether the member has a surviving partner who may be eligible to receive any benefit arising from the member's death. Provided a member has not already elected for their benefit to be paid directly to their estate, RBF will try and identify a surviving partner.

An RBF member includes current and past employees of the State Government, those receiving RBF Life Pensions and/or RBF Allocated Pensions.

A surviving partner is the spouse of an RBF member who was either:

- living with the RBF member on a genuine domestic basis at the time of the member's death; and/or
- was receiving significant financial support from the member.

The definition of "**spouse**" includes a person with whom an RBF member is in a significant relationship, within the meaning of the *Relationships Act 2003*. In general terms, this includes legally married couples, de facto and same sex relationships or a registered carer under the Act.

How is the surviving partner identified?

When RBF receives advice that a member has passed away we will write to an identified spouse or the person responsible for administering the estate of the deceased member.

All pension payments will cease on the death of a member and no further payments can be made until the surviving partner has been verified. This includes RBF Life Pension, RBF Allocated Pension, Interim Invalidity Pension and Temporary Incapacity Pension.

RBF will request that the surviving partner provide some information to assist in verifying their identity. The requested information will need to be accompanied by a sworn Statutory Declaration stating:

- whether they were married to the RBF member at the time of the member's death.

Documentary evidence to support this claim can include a certified copy of a marriage certificate (or an extract). Where the surviving partner was not married to the RBF member they would need to describe the nature of the relationship and, where relevant, provide evidence of the registration of the relationship under the *Relationships Act 2003*;

- details of the principal place of residence for both the deceased and themselves and whether they were living together or maintaining separate residences at the time of the member's death.

Documentary evidence to support this statement can include a certified copy of any of the following which detail the residential address of both the deceased and themselves:

- A drivers licence;
- Motor vehicle registration;
- Council rates notice; or
- Utilities accounts.

Documentary evidence of such support may include:

- details of financial support provided by the deceased to them.
- Copies of bank statements relating to joint loans or bank accounts; and
- Documentation in relation to the joint ownership of real estate.

In addition RBF will require certified copies of the following:

- Birth certificate or extract of birth for the deceased and the identified person;
- Death certificate or extract of death for the deceased.

Once the requested documentation has been received RBF will decide on the person's eligibility to receive a benefit. If the person is confirmed as the surviving partner RBF will provide details of the benefit options available to them.

What if more information is required?

Sometimes the information provided does not satisfy RBF that the person making the application is the member's surviving partner.

Should this occur, the applicant has 21 days in which they can request that the decision be reviewed. If a review is requested the file will be transferred to RBF's Review Officer who will manage the process. The applicant may also provide additional evidence in support of the review.

Once any additional information has been considered, RBF will make a revised decision. The identified person will be advised of the outcome in writing.

Another 21 day period is then provided for the applicant to advise RBF whether the revised decision is acceptable. If the revised decision is not acceptable they will be offered the opportunity to attend a hearing before the RBF Board.

Payment of any death benefit will not be made until the review process has been completed and the surviving partner application has been finalised.

For further information

Phone us on: 03 6233 3672 or 1800 622 631

Fax us on: 03 6233 3357

Email us at: super@rbf.com.au

Write to: The Chief Executive Officer
Retirement Benefits Fund Board
GPO Box 446
Hobart Tas 7001

Visit us at: 39 Sandy Bay Road, Hobart
Level 1, 87 George Street, Launceston

Personal interviews are available in Hobart, Launceston, Burnie and Devonport by appointment only. To arrange an interview, telephone 1800 622 631.

Disclaimer

Every care has been taken with the information provided in this document. However, the Retirement Benefits Fund Board reserves the right to correct any errors or omissions. If there is a discrepancy between the information contained in this document and the Tasmanian Accumulation Scheme Trust Deed or the governing legislation, the Trust Deed and the legislation will be the final authority. The information contained in this document is not intended as investment advice and the Retirement Benefits Fund Board recommends that readers seek professional advice before making any investment decision.

These sentences (with all the BLOOPERS) actually appeared in church bulletins or were announced in church services:

The Fasting & Prayer Conference includes meals.

Ladies, don't forget the rummage sale. It's a chance to get rid of those things not worth keeping around the house. Bring your husbands.

Don't let worry kill you off - let the Church help.

For those of you who have children and don't know it, we have a nursery downstairs.

Irving Benson and Jessie Carter were married on October 24 in the church. So ends a friendship that began in their school days.

A bean supper will be held on Tuesday evening in the church hall. Music will follow.

At the evening service tonight, the sermon topic will be 'What Is Hell?' Come early and listen to our choir practice.

Eight new choir robes are currently needed due to the addition of several new members and to the deterioration of some older ones.

Scouts are saving aluminium cans, bottles and other items to be recycled. Proceeds will be used to cripple children.

Please place your donation in the envelope along with the deceased person you want remembered.

The church will host an evening of fine dining, super entertainment and gracious hostility.

Potluck supper Sunday at 5:00 PM - prayer and medication to follow.

The ladies of the Church have cast off clothing of every kind. They may be seen in the basement on Friday afternoon.

This evening at 7 PM there will be a hymn singing in the park across from the Church. Bring a blanket and come prepared to sin.

Ladies Bible Study will be held Thursday morning at 10 AM. All ladies are invited to lunch in the Fellowship Hall after the B. S. is done.

The pastor would appreciate it if the ladies of the Congregation would lend him their electric girdles for the pancake breakfast next Sunday.

Low Self Esteem Support Group will meet Thursday at 7 PM. Please use the back door.

The eighth-graders will be presenting Shakespeare's Hamlet in the Church basement Friday at 7 PM. The congregation is invited to attend this tragedy.

Weight Watchers will meet at 7 PM at the First Presbyterian Church. Please use large double door at the side entrance.

The Associate Minister unveiled the church's new campaign slogan last Sunday: 'I Upped My Pledge - Up Yours!'

Let's talk about Cleaning up your Computer by using the Tools on your Computer

- Clear out Unused Programs and Unwanted Files
- Free up Wasted Space
- Defragment your computer

Cleaning up your computer is like doing the housework – it may not be the most fun you will have all week but if you don't do it you will gradually get so bogged down that you can hardly say you are having any fun at all!

Over time, computers get slower for a variety of reasons: files become disorganized, unnecessary software consumes resources.

Fortunately, Windows (your Operating System) includes tools to clean your computer and restore its performance. The most important of these utilities are Disk Cleanup, Disk Defragmenter, Add or Remove Programs.

Clear Out Unused Programs and Unwanted Files

The first step in tuning up your computer's performance is to remove any unnecessary programs. Many people install programs just to try them out and then do not get around to deleting them and there they sit consuming resources and slowing performance.

Follow these steps to remove unneeded programs:

1. Click **Start**, and then click **Control Panel**
2. Click **Add or Remove Programs**

Scroll through the list and examine each program. Windows XP/Vista lists how often you use a program and what day you last started it. If you haven't used it recently and it's consuming a lot of disk space then Remove it. You shouldn't remove anything labeled as an Update or Hotfix, however, because they improve the security of your computer.

You may have to restart your computer after removing a program. After your computer restarts, repeat the steps above to remove more programs. Removing unwanted files requires a thorough search of My Documents and all the folders and files that have accumulated there over time. Burn a CD/DVD of all the archival pictures in My Pictures and then deleted them from the hard drive.

Free Up Wasted Space

Removing unused programs and files is a great way to free up disk space, which will speed up your computer. Another way to find wasted disk space is to use the **Disk Cleanup** tool by following these steps:

Go to **Start** then click on **All Programs**, select **Accessories** from the All Programs menu, and from that drop-down menu click **System Tools**. When the **System Tools** menu drops down then click on **Disk Cleanup**. Disk Cleanup will spend a few minutes examining your disk and when the **Disk Cleanup** dialog box opens select the desired check boxes in the **Files to Delete** list, and then click **OK**. Disk Cleanup will spend several minutes clearing space.

Defragment Your Computer

Over time, more and more files become fragmented. When a file is fragmented, it takes longer for the computer to read it because it has to skip to different sections of the hard disk for pieces of the file. Although fragmentation is complicated, it's easy to defragment your computer by following the same steps as above for Disk Cleanup but this time when the Systems Tools menu drops down you select **Disk Defragment**. Disk Defragmenter will work for at least several minutes, though it may take several hours. If you have more than one hard disk, repeat this process for each hard disk.

Summing Up

Take your time and in a careful, considered way delete all the unwanted files on your computer. These would include all the programs you are not using, all out-of-date correspondence, all old emails and most of all those, sometimes hundreds, of pictures and videos that may be lurking there. Do not delete anything that you do not know what it does until you have worked it out. It does not have to be done all at once but you need to address the problem as our systems now have such large hard drives that it is like having an enormous house in which we have haphazardly stored every item we have ever owned in one of the 500 rooms! Finding a matching outfit (a complete file) would be a very slow process! So get back the full functionality of your computer – delete, clean, defrag!

The above item is another in the series of “Advice for computer users” as arranged by web master, Mal. Jones who acknowledges “Linking Tasmanian Seniors” for permission to re-print this from their ‘Help Desk’. Ed.

