

**TASMANIAN ASSOCIATION of STATE
SUPERANNUANTS**

SUPER-NEWS

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The Newsletter for and by TASS members

38 Years old

**TASMANIAN GREENS SUPPORT FOR
TASS INDEXATION CAMPAIGN**

Tasmanian Greens leader, Nick McKim has written to TASS president Tony Robinson pledging the support of the Greens for our indexation campaign. In his letter dated 15 December 2011, Mr McKim wrote,

“As you are probably aware, in July I tabled a Parliamentary Motion calling for this amendment to be made, which would benefit nearly 17,500 Tasmanians.

The amendment is yet to be debated, however the Labor and Liberal parties have indicated that they would not support an amendment to the current legislation.

This is a frustrating issue that affects many Tasmanians and I certainly sympathise with your situation. I would encourage you to lobby both the Labor and Liberal parties and remind them that their refusal to reform this important issue is affecting the quality of life of a large number of Tasmanian seniors.

The Tasmanian Greens remain committed to reform in this area, but as we are 5 MP's out of 25 we would need the support of one of the other parties to successfully change the legislation”.

Nick McKim MP
Greens Leader, Member for Franklin

President Tony Robinson's reply to Mr McKim is published on Page 2.

TASS Executive Office Bearers:

Pres: Tony Robinson 6265-2238 Vice Pres: Charles Thomas 6248-5902
Sec: Tony Naughton 6229-5696 Membership: Kevin Hardy 6228-6485
Treas: John Chalmers 6249-1240 S - N Editor: Tony Haig 6260-1026

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This letter from TASS president, Tony Robinson to Nick McKim, leader of the Tasmanian Greens is in reply to Mr McKim's letter on the front of this issue of *Super-News*. Members will recall that before the 2010 election the Greens undertook to pursue our indexation case.

Dear Mr. McKim,

9 January 2012

Thank you for your letter of 15 December 2011 regarding the better indexing of RBF Superannuation pensions.

I note your advice that the Liberal and Labor parties have indicated that they would not support an amendment to current legislation and take this as your explanation for not bringing back for debate your parliamentary motion or introducing an amended bill.

I must say that the position that you portray of the Liberal Party is different to the one given to us in writing as well as when we last spoke with them.

My members share your frustration over this issue, but for different reasons as they and our executive believe the democratic process should allow for vigorous and comprehensive debate before an issue is decided. We have researched the facts and put together a case for better indexing of RBF pensions and can make it available with other briefing notes if needed.

There is another issue which has recently arisen in which we request your assistance. As you are no doubt aware Social Inclusion Commissioner, Professor David Adams, handed down his paper titled "A cost of Living Strategy for Tasmania" in October 2011. In that paper Professor Adams said that Cost of Living pressures linked to price increases for essential services are likely to continue to grow at a greater rate than pension and benefits which are indexed to the Consumer Price Index (CPI).

It seemed logical for us to enquire as to the extent of the shortfall in income being experienced by RBF superannuation pensioners so we engaged a qualified independent actuary to carry out an exercise to answer this important question. As a matter of courtesy an executive member of TASS notified The Secretary of the Department of Treasury and Finance that some figures were required.

The response was both negative and hostile, as can be seen by the copy of the correspondence enclosed for your information.

The request we make to you is that Treasury be instructed to assist the actuary engaged by TASS (at considerable expense) or in the alternative provide TASS directly with a detailed comparison of the annual cost to the Government's budget if all RBF superannuation pensions were indexed by the same percentage increase as applies to an aged pensioner on a full pension, rather than CPI. Preferably such comparison in dollar terms should show the year by year figures over the past ten (10) years and estimate projection covering the next ten (10) years.

To illustrate the effect on a typical individual, what would be the difference in dollar terms of an individual RBF pensioner whose pension was say \$20,000 per annum ten (10) years ago? In the past the only costs released by the government have been the total unfunded liability expressed as billions of dollars and covering the total cost for the remaining years of the scheme. Such an accounting practice defies logic as other liabilities such as salaries are not treated in such a manner as they are an annual cost and part of the annual budget.

We do hope that you can assist in this instance.

Sincerely,
Tony Robinson, President TASS

TASS PRESIDENT IN STRIPPER SCANDAL

TASS Executive members were shocked to learn recently of a scandalous act committed by their hitherto esteemed president, Tony Robinson.

An anonymous source informed the Executive that president Tony was seen leaving a well-known city establishment with a high-priced stripper that he furtively hid from view under the cover of darkness on the back seat of his car.

It was later revealed that he had long fantasised about such a tawdry act to add to his "Bucket List".

The members of the Executive were alarmed at this revelation, knowing that Tony's delightful wife, Kim, was in Melbourne for a few days visiting her family.

It was further reported to the Executive that on Kim's unexpected surprise arrival home, she broke down in tears (of joy) to see that in her absence, Tony had stripped her beloved garden setting bare of its chipped paint, and lovingly repainted it in her favourite colour - much to the relief of the TASS Executive members.

However, the question still remains in the minds of the Executive.

Is this man - seen here right - worthy of representing the loyal members of TASS as our president?

TASS members will have the opportunity of putting his leadership to the test at the TASS AGM, so come along and help decide his fate:

TASMANIAN ASSOCIATION OF STATE SUPERANNUANTS

ANNUAL GENERAL MEETING

on

TUESDAY 20 MARCH 2012

from

1.30 PM - 3.30 PM

at the

TASTE CAFE

Bahai Centre of Learning (Adjacent to ABC Studios)

Car park entrance off **Tasman Highway**, just past the traffic lights in left lane. From **Brooker Avenue**, turn left at Macquarie Street traffic lights)

**OUR SPECIAL GUEST SPEAKER IS DR. IAN LUNDY,
CHIEF INVESTMENTS OFFICER, RBF**

JOIN US FOR A DELICIOUS AFTERNOON TEA PROVIDED BY TASS

PRESIDENT'S ANNUAL REPORT 2011/12

In the year just past, TASS has been fully engaged on a number of separate fronts thanks to the input from all of its hard working team on the executive. Many fresh ideas have been raised as to how we can continually improve our service to our members, with some implemented and others to follow.

Our financial situation is sound and the number of paid up members compares more than favourably on a pro-rata basis with any other State or Territory.

We maintain close links with fellow RBF pensioners throughout the State and the Northern Luncheon/meetings are enthusiastically supported in particular. It goes without saying that there is always a welcoming place on the executive for any member regardless of where they live in Tasmania.

TASS continues to give support to its affiliate body The Association of Public Service Retiree Organisations (ACPSRO) and sent a delegate to the annual general meeting held in Canberra on 11 October 2011. The guest speaker on that occasion was Senator Lundy, ALP.

ACPSRO is a powerful lobby group and its issues are our issues as they include pension indexation, taxation, Commonwealth Seniors Health cards and carbon price compensation for example.

One pleasing aspect has been that throughout the year TASS has been able to foster a close professional relationship with the RBF board and benefited by having chief executive officer, Phillip Mussared as guest speaker at our previous AGM. Later in the year a private meeting between executive members of both organisations discussed matters of mutual interest such as the role of Mercer.

TASS members attended RBF's Hobart seminar as observers and noted that our brochures were made available to the public at this and other venues. In turn TASS helped publicise RBF's three seminars.

The long running campaign by TASS to have RBF pensions adjusted by the same percentage increase as applies to single aged pensioners on maximum pension continues through contact with the Labor government, the Green's party, and the Liberal opposition party. And whilst the State government's budgetary difficulties at this time are palpable, rising costs are above normal, and many of these costs such as Land tax, Electricity and water are imposed by Government or Government instrumentalities.

In these circumstances it would make no sense for TASS to ease off, even though elections are a way off.

In summary TASS can now claim to have been proactive in the year just ended, even though the task of keeping certain Parties honest is rather daunting.

Tony Robinson, President

Tasmanian Association of State Superannuants

Treasurer's Report for the Year Ending 31st of December 2011

Mr President and Members

The audited financial statement and balance sheet for our financial year that ended on 31/12/11 is set out below:

Tasmanian Association of State Superannuants ABN 31 638 808 031

Financial Statement and Balance Sheet: Year Ended 31/12/2011

Bendigo Bank		Payments	
Opening Balance	\$8,516.34	Advertising and Conferences	\$1,242.87
Bank Interest	\$0.42	Affiliations	\$185.00
Deposits and Credits	\$20,122.92	Membership Expenses	\$3,562.08
Withdrawals and Debits	\$19,946.18	Miscellaneous (see below)	\$8,202.55
Closing Balance	\$8,693.08	Secretarial Expenses	\$86.00
	Receipts	<i>Super-News</i> : Postage	\$1,880.33
Donations	\$3,129.00	<i>Super-News</i> : Preparation	\$3,470.90
Miscellaneous	\$767.50	Travelling Expenses	\$100.00
Subscriptions 2011	\$3,629.00	Unpresented Cheques	\$0.00
Subscriptions 2012	\$7,438.00	Website Maintenance	\$973.15
Subscriptions 2013+	\$282.00	Total	\$19,702.88
Transfers From Investments	\$4,500.00		
Total	\$19,745.50	Miscellaneous	
	Investments	Bank Charges	\$3.05
	Tas. Perpetual Trustees	Financial Record Files	\$10.65
Opening Balance (Total)	\$68,116.64	Insurance	\$472.55
Fixed Term Fund	\$66,305.78	Reimbursements	\$100.30
At Call Fund	\$1,810.86	Taxation	\$1,116.00
Interest: Fixed Term Fund	\$3,990.51	Transfers to Investments	\$6,500.00
Interest: At Call Fund	\$67.01	Total	\$8,202.55
Transfers from Bendigo Bank	\$6,500.00	Grand Total (31/12/10)	\$76,632.98
Transfers to Bendigo Bank		Grand Total (31/12/11)	\$82,867.24
Fixed Term Fund	\$3,600.00	Balance	\$6,234.26
At Call Fund	\$900.00		
Total	\$4,500.00		
Fixed Term Fund	\$73,196.29		
At Call Fund	\$977.87		
Closing Balance (Total)	\$74,174.16		

We are grateful to those who have continued their memberships of TASS, and the generous donations of many members have again greatly assisted our bottom line. This is clearly shown in the financial statement.

We maintain accounts with two institutions. We have a Bendigo Bank Ultimate Cheque Account for our normal banking needs. We have two investment accounts with Tasmanian Perpetual Trustees as shown above. In 2011, we were able to add to our investments.

We are an affiliate of ACSPRO and we send a representative to the AGM of that organization each year. Membership Expenses relate almost exclusively to stationery and stamps required for communication with members; but it also includes items such as listings in the three Tasmanian Phone Books (White Pages) and rent of our New Town Post Office Box. The Reimbursements relate to our officially recognising the passing of Past President, Ron Darvell, during the year...Payment was initially made by an Executive Member.

For the Southern Christmas Luncheon meeting, a float was raised. Its withdrawal is included in Membership Expenses in the Payments section; its return, along with payments, is itemised at Miscellaneous in the Receipts section.

We employ an expert to maintain our website. He continues to develop the site to its present state and is always happy to have suggestions from members about further improvement to it. Please contact Rob van Schie if you have ideas for the website or wish to contribute to it.

The Executive has discussed the matter of membership fees and recommends that they not be altered for 2012, except for an increase to the additional fee for Overseas Members. This moves from \$5.00 to \$8.00 and reflects rises in postage.

I now move that this Report and the Statement of Receipts and Payments for the year to December 31st, 2011 be received and adopted.

John Chalmers

Treasurer

Mr President and Members

I have examined the financial records of TASS and have found them to be kept very systematically. I consider the Treasurer's annual Statement of Receipts and Payments for the year ending 31/12/2011 to provide a true reflection of the financial situation of the Association.

Rex Wilson

Honorary Auditor

Date:

APPRECIATION TO OUR HONORARY AUDITOR

On behalf of the Executive and members of the Tasmanian Association of State Superannuants, I wish to recognize the work of our Honorary Auditor, Rex Wilson. During the year we generate a substantial amount of records that must be checked. Rex is meticulous in his auditing and TASS owes him a sincere vote of thanks for the time he puts into this task.

John Chalmers, Treasurer, TASS.

MEMBERSHIP REPORT

The membership of TASS for 2012 at the time of publication is 1198.

Our members are distributed across the three regions of the State as follows:

South - 68%

North - 18%

North-West - 14%

The TASS Executive expresses our appreciation to our members for your continuing support.

THE TASS EXECUTIVE VOLUNTEERS OUR TIME ON YOUR BEHALF

WE HAVE A SUB-COMMITTEE TO ARRANGE ACTIVITIES FOR YOUR BENEFIT

In the November issue of 'Super-News' we asked if you would be interested for TASS to organise a seminar on the topic of choosing an AGED CARE FACILITY, with a panel of experts from the aged care sector.

At present we have only received two responses. If you are interested please contact: Tony Haig by phone on 6260-1026.

We would only be able to arrange such an event if sufficient members expressed an interest in attending. We also have other options in which you may be interested and these will be communicated to you in a future issue of 'Super-News'.

DON'T BE TOO SPOOKED !

Some TASS members have contacted the Executive expressing their concern to an article that appeared in *The Examiner* on 13 February 2012.

The article stated, "Tasmania's public sector superannuation liability has grown from \$1.25 billion in 2000-01 to \$5.2 billion this year even though it was closed off to new public servants in 1999."

The newspaper article was accompanied by a graph that showed the annual increase in the State Government's unfunded superannuation liability during the 11 year period. At our February meeting, the TASS Executive agreed that the significance of this amount should be clarified for our members as follows:

1 This amount of money (\$5.2 billion) refers to the **present value** of all superannuation payments that would be due to Tasmanian State superannuants in future years.

2 The more appropriate means of understanding this liability on behalf of the State Government, is to look at the **annual cost** to the government for payment of our superannuation pensions, part of which are paid from the annual state budget, and part of which are paid from the Retirement Benefits Fund (RBF). All of us who were employed in either the state public service, or in one of the semi-government authorities (Hydro, Forestry etc.) would know that we were required to pay a minimum of 5.5% of our salary into superannuation throughout our employment.

3 The reason for the unfunded liability (\$5.2 billion) is due to a former government decision to use the funds that would have been invested on behalf of their public service employees for their pensions, to instead finance state infrastructure projects - such as hydro dams for the benefit of the state.

4 In the 1990's the State Government established a scheme known as the Superannuation Provision Account for the purpose of investing funds for the future payment of superannuation pensions.

The TASS Executive is currently investigating aspects of our superannuation pensions, including a more equitable method of indexation, and will be reporting back to our members in a future issue of *Super-News*. *

*** Refer to the letter from president, Tony Robinson to the *Mercury* on page 9**

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TASS CLASSIFIEDS:

WOMAN WANTED

(several positions available)

to join friendly group of mature gentlemen for pleasant afternoons

* on the third Tuesday of the month. *

If you are reading this advertisement you are eligible to join our TASS Executive and contribute to the conduct of our organisation.

For more details: phone president Tony on 6265-2238

TASS PRESIDENT'S LETTER PUBLISHED IN THE *MERCURY* , JANUARY 2012

Transparent State Government?

Tasmania's economic woes have certainly made Lara's treasury officials a little bit techy these days if a recent experience is any criteria to go by.

My organisation was particularly interested in a report handed down to the Tasmanian Government by Social Inclusion Commissioner Professor David Adams titled "Cost of Living for Tasmania", October 2011. The report found as established fact that pensions and benefits linked to increases in the Consumer Price Index (CPI) were failing to keep up with the overall cost of living increases.

As a consequence the Department of Treasury and Finance was asked to co-operate with an independent actuary engaged and paid for by the Tasmanian Association of State Superannuants (TASS) to ascertain the cost differential between CPI movement and actual living cost increases applicable to RBF superannuation pensions.

They not only refused to provide any information relating to RBF pension costs but expressed the view that CPI is the appropriate basis for indexing RBF pensions. Clearly the department had either not read Professor Adam's report or simply chose to ignore it, because they have contradicted his finding the fact concerning the inadequacy of the CPI to match increases in the cost of living for pensioners.

Tony Robinson, President, Tasmanian Association of State Superannuants (TASS)

RETIREMENT BENEFITS FUND (RBF) EXPO'S

The TASS Executive would like to congratulate the Retirement Benefits Fund (RBF) on the excellent Expo's that they organized in Burnie, Launceston and Hobart towards the end of last year. A significant number of our members attended at the various centres, including our Executive in Hobart. The program content was conducted in a most professional manner, with a thought provoking keynote address by demographer Bernard Salt.

The staff of the RBF are to be commended for the organisation of the event in the three regions of the state.

Copies of the new TASS brochure which we have recently developed were distributed at the three events with the kind co-operation of the RBF Communications and Marketing officers.

At our February Executive meeting, Ron Franks, RBF Communications and Marketing Officer and Stephen Hevey, Business Relation Officer attended and discussed issues relating to the relationship between our two organisations for the benefit of TASS members. We look forward to the ongoing development of communication with the RBF.

TASS HAS A NEW PROMOTIONAL BROCHURE

The TASS Executive has produced a new promotional brochure in full colour for distribution to State superannuants who are not members of TASS, and also to current public service employees who will be eligible to receive an RBF pension from the State Government defined benefits contributory scheme upon their retirement.

There are approximately 8,000 State superannuants who are currently receiving a State Government pension through the RBF, and a further 9,000 existing public service employees who will become eligible in future years.

The front page of the brochure, and the page illustrating the disparity in the current system of indexation in comparison with the Centrelink Age pension is reproduced here (in black and white) for your interest.

Tasmanian Association of State Superannuants

The Tasmanian Association of State Superannuants (TASS) seeks to enhance the financial security of State superannuants and their families.

TASS is a voluntary non-political body serving the interests of members.

We liaise with the state and federal governments in regard to the indexation of our pensions paid from the Tasmanian Government defined benefits contributory scheme.

We also liaise with the Retirement Benefits Fund (RBF) in regard to administrative procedures concerning our pensions.

Our major campaign is to obtain from the State Government a more equitable method of indexing our pensions.

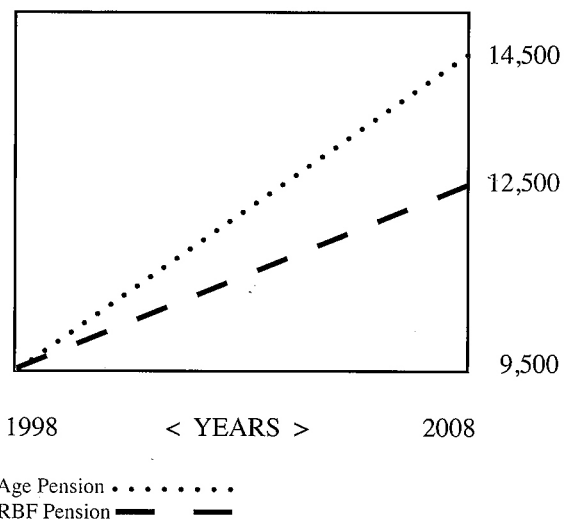
THE CURRENT INDEXATION METHOD OF OUR RBF PENSION

- In 1998 the Commonwealth Government improved the method used to index the Age and other pensions from the previous CPI to the level of the average weekly earnings of Australian workers.

These newer indices are **wage based** as opposed to the CPI which is **cost based**.

This change ensured that Age pensions kept pace with increases in the standard of living in Australia.

- The following graph shows the difference between an **RBF pension** indexed by **CPI** and an **Age pension** indexed to the **average weekly earnings of an Australian worker** for the period 1998-2008.



The graph demonstrates that if a single Age pension, which was \$9,500 per annum in 1998, and an RBF pension of the same amount were commenced in 1998, then by 2008 the RBF pension would have been \$2,000 per annum (20%) less than the Age pension.

The TASS Christmas Luncheons

The Northern and Southern Christmas luncheons both occurred in November last year. For the first time in recent years, the number attending the Northern luncheon was larger than those attending in the South. There were two reasons for this, both involving the Hazzlewoods. First June suggested a luncheon venue at Perth which reduced the travelling time for those of us travelling up from the South. But more important was the large number of telephone calls made by the Hazzlewoods to Northern and Northwest members inviting them to attend. Below a photo of our dynamic duo taken as TASS members were taking their seats.



While the Southern function at Drysdale House did not attract quite as many members as the North, those attending both luncheons had an enjoyable time renewing old acquaintances and making new ones. President Tony Robinson gave a very short summary of our progress during the year and invited any questions or comments from those present. Please watch Super-News for details of the 2012 Christmas luncheons. Very pleasant lunches with like minded people.

USEFUL CONTACTS FOR MEMBERS

As a service to members TASS will include a regular section giving useful contact points (usually telephone numbers) which may be of value to members.

RBF Pension queries or death of the superannuant	1800 622 631
Australian Tax Office: Income Tax inquiries	132861
Superannuation help	131020
Tax Refund	132863
CENTRELINK: To book an appointment at a regional office ...	131021
Pension enquiries	132300
Overseas Pensions	131673
Family enquiries	131305
Disability, sickness and carer	132717
Hearing or speech impairment	1800 000 587
Financial Services Burnie	6434 1535
Devonport	6424 0665
Launceston	6332 8298
Hobart	6232 1555
Bellerive	6244 0566

Better Hearing Australia & Tinnitus Support Group..... 03 62445570
4/32 Bayfield St. Rosny Park

AAAAAAAAAAAAAAAAAAAA

Pension Limits from 1 Jan 2012

INCOME TESTS

Part pension is possible for a couple receiving less than \$2,522 per fortnight

 Single receiving less than \$1,647 per fortnight

For a Pensioner couple separated by ill health, less than \$3,259 per fortnight

Commonwealth Seniors Health Card for a couple on less than \$80,000 per year

 for single on less than \$50,000 per year

ASSETS TESTS (not including your home)

a) For Home Owners	For Full Pension	For Part Pension
Single Pensioners	Up to \$186,750	Less than \$686,000
Couples (Combined)	Up to \$265,000	Less than \$1,018,000
Couples Sep. due to ill health	Up to \$265,000	Less than \$1,263,500

b) For non-home owners

Single Pensioners	Up to \$321,750	Less than \$821,000
Couples (Combined)	Up to \$400,000	Less than \$1,153,000
Couples Sep. due to ill health	Up to \$400,000	Less than \$1,398,500

Should you change your address would you please advise us of your new address. Some members believed that advising RBF of a change will also involve that information also coming to us. This is not so. RBF quite correctly keep their address data confidential and will not pass this information on to us. If we do not have your correct address, we cannot send you Super-News.