



Tasmanian  
Association of  
State  
Superannuants Inc.

# SUPER-NEWS

Postal: GPO Box 1650  
Hobart, Tasmania 7001  
Telephone: 0448 731 845  
Email: [info@tass.org.au](mailto:info@tass.org.au)  
Website: [www.tass.org.au](http://www.tass.org.au)  
Facebook: [www.facebook.com/TASSTasmania](http://www.facebook.com/TASSTasmania)

No: 1/23

Autumn Edition

March 2023

## TASS ANNUAL GENERAL MEETING Tuesday 21 March 2023

**Venue:** Motor Yacht Club of Tasmania (MYCT)  
1 Ford Parade, Lindisfarne  
(Access from East Derwent Highway, via Lincoln Street and Park Road)  
Parking is available at the MYCT or on the street.

**Time:** 1:30 to 4:00pm (including afternoon tea)

**Guest Speaker:** **Ms Jenny Cosgrove,**  
**Director, Office of the Superannuation Commission (RBF)**

Following afternoon tea there will also be an interesting presentation from the RACT, "Years Ahead: Misunderstood Road Rules Program".

**RSVP:** By 5:00pm Thurs 16 March 2023 to John Chalmers,  
0448 731 845, or [info@tass.org.au](mailto:info@tass.org.au)

\*\*\*\*\*

### AGM Agenda

- Apologies
- Minutes of the 2022 AGM
- President's Report 2022
- Financial Report
- Membership Officer's Report 2022
- Election of Office Bearers. All positions will be declared vacant
- Election of Legal Advisor
- Motion to alter the TASS Constitution
- Close of AGM

**Nominations close 5.00pm: Thursday 16 March 2023 Nomination Form included in this newsletter.**

**RSVP:** By 5:00pm Thurs 16 March 2023 to John Chalmers,  
0448 731 845, or [info@tass.org.au](mailto:info@tass.org.au)

## 2023 TASS Annual General Meeting

### TASS needs volunteers to nominate to join the Executive

If you, the members, want TASS to continue operating effectively to represent your interests, then some of you will need to step forward to help. If you are interested in nominating to join the Executive, please complete the enclosed nomination form. If you are unable to provide a Nominator and/or Secunder an Executive member will oblige.

### Election of Office Bearers AGM 21 March 2023

Nominations from financial members of the Tasmanian Association of State Superannuants Inc. are invited for election to the Executive for 2023 to be held at the Annual General Meeting (AGM) on Tuesday 21 March 2023. (Nomination form enclosed).

All positions of Office Bearers are declared vacant at the AGM and nominations for the following positions are invited:

- President
- Vice-President
- Secretary
- Treasurer
- Membership Officer
- Newsletter Editor
- Plus - up to an additional six (6) Executive members

### Nominations close 5.00pm: Thursday 16 March 2023

The RACT presentation, “Years Ahead: Misunderstood Road Rules Program”, will cover road rules that are commonly misunderstood, for example, roundabouts, slip lanes, intersections and more. Reading material will also be available to take home.

\*\*\*\*\*

### Minutes of the 2022 AGM held on 15 March 2022 at MYCT 1 Ford Parade, Lindisfarne, commencing at 1:30pm:

#### Attendees & Apologies

**Attendees:** John Minchin, John Pauley, John Chalmers, Mike Walker, Charles Thomas, Jeneane Thomas, Ross Brown, Murray Harper, Stephen Graetzer, Jean Walker, D Dobie, R Butler, C Brunniche, T Coupe, G Upchurch, B Chalmers, L Dean, M Binns, F van Nieuwkuyk, F Ferraro, K Eronen, J Birch, D Walter, G Mason, S Kelly, T Liebmann, J Presser.

**Apologies:** Christopher Bevan, M & G Morris, J Lennon, J Anderson, J Dennison, B Butler, D Bower, M Foster, E Ogilvie, C & B Foster, N Jaksic, M & J Polegai, B & T Bowes, B Wesley, J Hazzlewood, R Hall, M Butler, J Walker.



WeMoney names Spirit Super best fund for value



Item heading	Issue / Discussion	Decision
<p><b>1 Guest Speaker</b> 1:30-2:10pm</p>	<p><b>Guest Speaker: Professor James Vickers, Director, Wicking Dementia Research and Education Centre (WDREC).</b></p> <p>Professor Vickers is recognised internationally as a leader in dementia research. Dementia occurs when cells die in the outer part of the brain where memories are stored, language is held and judgments are made. It manifests itself in the progressive decline in functioning that affects cognitive skills, personality and behaviour. Professor Vickers gave information about the WDREC , types of dementia and the projects the Centre is involved with. The Professor stressed the importance of education in understanding and dealing with dementia and improving the standard of care in our homes and in hospital and residential facilities. Risk factors were mentioned, both modifiable and non-modifiable. The Centre conducts Massive Open Online Courses (MOOCs) and Professor Vickers was pleased to see that some members of the audience had completed them. He also encouraged more people to undertake them. The presentation was most informative and Professor Vickers was thanked by warm acclamation.</p>	
<p><b>AGM</b></p>	<p><b>Commenced at 2:45pm</b></p>	
<p><b>2 Confirmation of previous AGM minutes</b></p>	<p>Minutes of 2021 AGM Dated 16/3/21 were endorsed.</p>	<p>Endorsed. Moved: M Walker Seconded: J Chalmers</p>
<p><b>3 President's Report</b></p>	<p>The President presented the 2021 Report (copy attached) and referred members to the Report in the March Super-News and tabled at the Meeting.</p>	<p>Endorsed. Moved: J Minchin Seconded: J Pauley</p>
<p><b>4 Treasurer's Report</b></p>	<p>The Income and Expenditure Statement for the year to December 31st, 2021, and the Balance Sheet as at 31<sup>st</sup> December were tabled and are attached.</p> <p>(Members were also referred to the Report in the March Super-News)</p>	<p>Report received and adopted. Moved: M Walker Seconded: C Thomas</p>
<p><b>5 Membership Officer's Report</b></p>	<p>Membership Report for the year to December 31st, 2021, was tabled and is attached. (Members were referred to the Report in the March Super-News)</p>	<p>Report received and adopted. Moved: C Thomas Seconded: J Walker</p>
<p><b>6 Election of Office Bearers.</b></p>	<p>All positions declared vacant. Nominations were received for the positions of: President: Nominated: John Minchin Vice President: Nominated: John Pauley Secretary: Nominated: John Chalmers Treasurer: Nominated: Michael Walker</p> <p>Membership Officer: Nominated: Charles Thomas</p> <p>Super News Editor: Nominated: Jeneane Thomas</p> <p>Exec members: (6 vacancies) Nominated: Murray Harper, Stephen Graetzer, Jean Walker, Ross Brown, Christopher Bevan.</p> <p>Nominations from the Floor: Ross Butler.</p>	<p>John was duly elected John was duly elected John was duly elected Michael was duly elected Charles was duly elected Charles was duly elected Jeneane was duly elected Jeneane was duly elected The nominees were duly elected</p>

Item heading	Issue / Discussion	Decision
<b>7 Appointment of Legal Advisor</b>	Legal Advisor: Mr Nathan Munting, from Wallace, Wilkinson and Webster, 169 Liverpool St, Hobart, has agreed to be the TASS legal advisor for 2022.  Motion that Nathan be endorsed as Legal Advisor for 2022.	Moved: J Pauley  Seconded: D Walter  Endorsed.
<b>8.General Business</b>	There was no General Business.	
<b>AGM Closed 3:00pm</b>		
<b>Minutes Endorsed</b>	President:  John Minchin	Date:

\*\*\*\*\*

## TASS Annual Report 2022-23

This year has seen a return to a reasonably normal sort of year for TASS. The Executive has remained stable with 12 members supporting the operations of the Association. Whilst COVID 19 is still with us, and still a threat, we have been able to hold many of our Executive meetings face to face. Use of Zoom is still very useful at times (especially in the depths of Winter when no-one wants to venture out!), and we have enabled members to phone in to join others meeting via PCs, tablets, and smartphones.

TASS continues to liaise with RBF/Superannuation Commission on matters of importance to members. This year we became aware that some surviving spouses/partners of RBF pensioners were having problems in obtaining their new pension following the death of their partner pensioner. TASS has written to members who have lost partners during 2022, with a survey to find out how they have been faring and to determine if there are matters that RBF can deal with to improve the process. Related to this is the TASS Personal Information form we developed and distributed a few years ago. If you haven't filled out the form for yourself and your partner, there is no better time than the present. If you need a copy, contact the Secretary, John Chalmers.

The 10% Legislation that affected so many of our members is still a live issue for TASS. As we have reported, following the Federal Election and the change of Government, we approached Senator Carol Brown on behalf of all Tasmanian Labor members and Senators. She undertook to try to get support from the Tasmanian caucus, with a view to seeking federal action. You will note in the next Super News that TASS has written again to Sen. Brown, and also Sen. Jacqui Lambie, Andrew Wilkie MP, and Sen. Peter Wish-Wilson. We have also met with Sen. Wendy Askew and have been in touch with a number of Liberal members. In addition we have made a pre-Budget submission seeking to have the Legislation repealed.

During the year, TASS held a well supported members forum on the subject of Aged Care homes, which was very informative. A northern version of this forum is being planned but we are having trouble finding available presenters. Anyway, we will advise members as soon as we can. Our Christmas lunches in Hobart and Launceston were enjoyed by those who attended. It was a good chance to allow the executive members to meet and talk with some of our other members.

As mentioned on a number of occasions, our declining membership continues. We have of course gained some new members, but these are outnumbered by those who decide not to continue due to ill health or aging, and invariably many others who die. I guess we can't do much about the latter, but our biggest hope

is in encouraging new members. So please approach your friends and colleagues and encourage them to join.

I would like to thank the Executive for its support and hard work during the year. Whether managing the membership and finances, liaising with partner organisations like ACPSRO and RBF, organising the newsletter, and administering meetings, communications and records, there is much that is done. TASS would not survive without a strong Executive. Why don't you put your hand up to help?

I would like to make special mention of Chris Bevan who has decided for health reasons to not seek nomination for the Executive this year. Chris was a past President, and Vice president, and has been very active in TASS activities for many years. Thank you, Chris, and best wishes for your future.

In conclusion, this will be my final President's report. For personal and family reasons I have decided not to re-nominate for President in 2023. Thanks for your kind support over the past few years.

**John Minchin**  
President

\*\*\*\*\*

## **TASS Income and Expenditure Statement**

**For the year 1 January 2022 to 31 December 2022**

<b>INCOME</b>	<b>2022</b>	<b>2021</b>
Membership Subscriptions	\$ 7,410.00	\$ 7,840.00
Donations	1,801.00	1,952.10
Interest	499.27	504.43
Sponsorship	\$ 6,000.00	-
<b>TOTAL INCOME</b>	<b>\$15,710.27</b>	<b>\$10,296.53</b>
<b>LESS EXPENDITURE</b>		
Affiliations	225.00	225.00
Annual Return	66.00	264.80
Depreciation – Laptop Computer	756.00	-
Email	56.98	-
Functions	1,348.60	2,115.50
Insurance	462.00	462.00
Internet	92.70	119.20
Miscellaneous	36.00	31.99
Office	1,000.88	397.02
Phone	70.00	842.60
Postage	1,116.75	1,426.51
Special Mailouts	1,985.50	-
Super-News	5,575.71	5,833.58
Taxation	-	271.43
Travel	150.00	250.00
Zoom	277.08	277.08
<b>TOTAL EXPENDITURE</b>	<b>\$13,219.20</b>	<b>\$12,516.71</b>
<b>SURPLUS / (DEFICIT) FOR YEAR</b>	<b>\$ 2,491.07</b>	<b>\$( 2,220.18)</b>

## TASS Inc Balance Sheet as at 31 December 2022

<b>ACCUMULATED FUNDS</b>	<b>2022</b>	<b>2021</b>
Association Funds B/f 1/1/22	\$57,576.93	\$59,797.11
Less Surplus / (Deficit) for Year	2,491.07	( 2,220.18)
<b>Association Funds C/f 31/12/22</b>	<b>\$60,068.00</b>	<b>\$57,576.93</b>

### Represented by:

#### ASSETS

##### Current Assets

Cash at Bank (MyState)	\$12,223.49	\$10,876.88
Accrued Interest	452.91	424.60
Prepayment	110.00	-

##### Investment

Term Deposit (MyState)	63,000.00	63,000.00
------------------------	-----------	-----------

##### Non-Current Asset

Laptop Computer	1,512.00	-
Less Provision for Depreciation	( 756.00)	-

<b>TOTAL ASSETS</b>	<b>\$76,542.40</b>	<b>\$74,301.48</b>
---------------------	--------------------	--------------------

#### LESS LIABILITIES

Accounts Payable	\$ 374.40	214.55
Deferred Membership Income:		
Membership Subscriptions 2023+	2,830.00	3,105.00
Members for Life	13,270.00	13,405.00
<b>TOTAL LIABILITIES</b>	<b>\$16,474.40</b>	<b>\$16,724.55</b>

<b>NET ASSETS</b>	<b>\$60,068.00</b>	<b>\$57,576.93</b>
-------------------	--------------------	--------------------

#### COMMITTEE REPORT:

These Financial Statements present fairly the financial position of the Tasmanian Association of State Superannuants Inc and the results of its operations for the year ended 31 December 2022.

**Michael Walker CPA**  
Treasurer

Dated: 25 January 2023

**John Minchin**  
President

## Explanatory notes to TASS Financial Statements

**Member Subscriptions 2022:** In line with small reduction in memberships.

**Interest:** Reflects current low interest rates. Will increase in 2023 from .08% to 3.9%.

**Sponsorship:** 12 month contract with Spirit Super.

**Depreciation:** New laptop written off over standard 2 years.

**Functions:** Amount net of participant contributions.

**Office:** Mainly printing and stationery items.

**Phone:** Reduction due to discontinuing White Pages subscriptions.

**Special Mailouts:** To members for AGM and then prior to Federal Election.

**Accrued Interest:** Interest earned but not received at balance date.

**Term Deposit (MyState):** Matures on 6 February 2023. Will be re-invested for 12 months on that date.

**Accounts Payable:** Expenses incurred and included under Expenditure but not paid until after balance date.

**Membership Subscriptions 2023+:** Subscriptions received in 2022 for 2023 and beyond.

**Members for Life:** Subscriptions received to be allocated over 8 years.

The financial statements will be submitted for approval at the TASS Annual General Meeting by the Treasurer. There will be opportunities to ask questions at this meeting.

\*\*\*\*\*

## Membership Officer's Report 2022

**TASS membership as at 31/12/2022 totals 819 (down 69 on last year)**

<b>The membership consists of:</b>	<b>2022</b>	<b>2021</b>
● Couples (300 x 2)	600	642
● Single Superannuants	113	129
● Widow/Widower of a Superannuant	106	117

During the year 2022, 7 new members joined the Tasmanian Association of State Superannuants Inc.

The Association very much seeks your assistance in recruiting new members where possible to ensure that our numbers maintain a level sufficient to be a strong and viable Association. The website [www.tass.org.au](http://www.tass.org.au) for the application form and provides updates on recent topics of interest to our members.

The cost of membership is minimal, \$15.00 p.a. for a Superannuant (or Couple) and \$10.00 p.a. for a Widow/Widower of a Superannuant.

The Association during 2019 introduced a Membership for Life, a one-off payment of \$120.00 for a Superannuant (or Couple) and \$80.00 for a Widow/Widower of a Superannuant. The number of members that have taken up this option now totals 167.

Those members who have not yet renewed their membership for 2023 please take this opportunity to do so, as your continued support is eagerly sought.

Refer to the above website for an application form.

**Charles Thomas**  
**Membership Officer**

\*\*\*\*\*

**Proposed Changes to the TASS Inc Constitution**

At the Annual General Meeting, the following changes to the Constitution will be moved. They are proposed in order to bring the Constitution into line with current practices.

**Section 8**

8.1 Delete “and Tasmania’s three major newspapers.”

8.1 will now read:

“The Association is to hold an Annual General Meeting (AGM) each year on a date to be decided by the Executive, but within three months of the close of the financial year (ref 12.1) of the Association. Members shall be notified through the Association’s newsletter, *Super-News*.”

**Rationale**

It is expensive to advertise in Tasmania’s three daily newspapers.

Every TASS member receives a copy of *Super-News* in plenty of time to respond to the AGM by nomination for Office and/or by attending.

**Section 12**

Add “12.6. Membership For Life can be purchased as a one-off subscription.”

12.2 Delete “Annual” so that the sub-section reads:

“Subscription rates shall be set at the Annual General Meeting and shall be effective from the beginning of the next Association financial year.”

**Rationale**

The changes cater for the category of Membership for Life which TASS now offers.

**John Chalmers**  
**Secretary**

\*\*\*\*\*

**Save the date: Northern Forum- Friday 21 April 1:30 – 4:00pm**

This will be a combined Forum featuring an Aged Care Specialist from Services Australia (formerly Cetrelink) and RACT education officers.

Services Australia’s presentation will cover all aspects of residential aged care. The RACT presentation will be their “*Years Ahead: Misunderstood Road Rules*” which covers road rules that are often misunderstood such as roundabouts, slip roads, intersections and more. This presentation is designed for older drivers.

Please note your diary and RSVP as early as possible when you receive further details which will be circulated to all northern members separately in March.

\*\*\*\*\*

**An article of interest from TASS’ Sponsor, Spirit Super:**

**Keeping your information safe**

As cyber-crime becomes more sophisticated, it’s important to keep up to date with the latest online threats and scams so that your private information remains safe and secure.

**What are we doing?**

Spirit Super takes cybersecurity and the protection and privacy of our members’ data extremely seriously. We have strict security measures in place to seek to protect your personal information.

- Spirit Super will never request your passwords or login information via email, text message or social media. There may be times where we need to contact you about account or financial information. If you have any concerns, please call us on **1800 005 166**.
- Our [Privacy Policy](#) sets out our full obligations regarding the handling of your personal information.



- We won't use your personal information for any other purpose or share it with anyone else without your permission, unless we are required or authorised to do so under any applicable law.
- Your information can only be accessed by authorised staff and service providers performing specific functions. We take all reasonable steps to protect your personal information against unauthorised access, use or disclosure.
- The measures that we take to protect your personal information against unauthorised access, use or disclosure includes the use of secure passwords, user logins and other security procedures. Developments in security and encryption technology are reviewed regularly. Staff are trained to deal with personal information confidentially and in accordance with the Privacy Act.
- We'll only retain your information for the minimum period of time required to facilitate the administration of your account and to ensure we comply with legal requirements.
- For more details about how we keep your information safe, see our Privacy Policy.

### What can you do?

- Never open attachments or click on links in emails or social media messages from unknown senders.
- Be cautious when answering calls from unfamiliar numbers – don't follow any instructions from someone you don't know.
- Don't share any personal information until you are certain about who you are sharing it with.
- Change your passwords regularly. Passwords should be long and complex, and you should not recycle or reuse passwords across services.
- Don't store your passwords in your email account, or in documents. Consider using password management software.
- Enable multi-factor authentication for your online accounts wherever possible.
- Ensure you have up-to-date anti-virus software installed on any device used to access online accounts.

### Other resources

- Visit the Australian Competition and Consumer Commission's ScamWatch page and consider subscribing to their alerts.
- Visit the Australian Cyber Security Centre's Stay Smart Online Service for the latest tips on remaining safe online.
- Subscribe to IDCARE's Community Online Newsletter – Cyber Sushi – for the latest trends and advice on what's impacting the community's personal information.
- Visit the Australian Information Commissioner's website where you will find resources on data breaches, your rights, and response options.
- Visit the Moneysmart website for information on how to protect your personal information in the event of identity theft.

**If you believe your identity may have been compromised, please [contact us](#) immediately to discuss options available to you.**

This article is for general information only and doesn't take into account your objectives, financial situation or needs. You should assess your financial position, personal objectives and needs before making a decision based on this information.

Advice on Spirit Super is provided by Quadrant First Pty Ltd (ABN 78 102 167 877, AFSL 284443) and issuer is Motor Trades Association of Australia Superannuation Fund Pty Ltd (ABN 14 008 650 628, AFSL 238718), the trustee of Spirit Super (ABN 74 559 365 913). Consider the *Product disclosure statement* and *Target market determinations* at [spiritsuper.com.au/pds](https://spiritsuper.com.au/pds) before making a decision. A copy of the *Financial services guide* for Spirit Super Advice is available at [spiritsuper.com.au/financial-services-guide](https://spiritsuper.com.au/financial-services-guide).

We're giving you this information in good faith. It comes from sources we think are reliable and helpful. However, we can't guarantee its accuracy and accept no liability for content provided by external websites.

\*\*\*\*\*

## Social Services Legislation Amendment (Defined benefit Income Streams) Act 2015 (the "10% cap" legislation)

Last year TASS met with Senator Carol Brown and welcomed her commitment to seek support from the Tasmanian Labor caucus for a review of this legislation which has impacted heavily upon around 6000 retired Tasmanian public servants, particularly those on lower incomes during a working life that provided critical front line services to the Tasmanian community. With the increase in inflation, mortgage interest rates and rents, TASS anticipates those impacted by the 10% cap legislation will be hurting even more.

TASS has been hopeful, that with the Albanese Labor government in power, there would be support from both the Tasmanian Labor caucus and also the broader Labor caucus for the inequity which this legislation has imposed on low-income retirees to be removed. As we have stated on many occasions the only just outcome is that this legislation be repealed.

TASS was aware that pre-budget planning and consideration of submissions is imminent, so we wrote to Senator Brown asking for reassurance of her commitment to support TASS, and that it will form part of the pre-budget planning.

On 23 January 2023 TASS also made a pre-budget submission on this issue, and this is included below:

\*\*\*\*\*

### Social Services Legislation Amendment (Defined benefit Income Streams) Act 2015 The "10% CAP" Legislation

#### Summary

The Tasmanian Association of State Superannuants (TASS) requests, that during consideration of its 2023 Budget, the Albanese government agree to repeal the *Social Services Legislation Amendment (Defined benefit Income Streams) Act 2015*.

In 2016, the passage of this legislation capped the Deductible Amount for Social Security assessment purposes at 10% of the defined benefit life pension being received. The application of this 10% cap has severely impacted many of the RBF Defined Benefit (DB) scheme's members in Tasmania who were in receipt of a part age pension (or other Government payments or benefits). The Act was sold to members of the House of Representatives and Senators as a way of stopping 'fat cats' from getting Age Pensions they shouldn't be entitled to.

However, the great majority of pensioners affected had much lower incomes, averaging about \$27,500 and suffered significant declines in their retirement income.

#### Background and detail

In the RBF superannuation scheme, which operated until 1999, contributors paid, generally, 5.5% of their **after-tax** salary into the scheme. Many current State Government employees, as well as retirees, have entitlements under that scheme and have the option of taking part or all of their entitlements as a lifelong defined benefit pension. After retirement some low income retirees are entitled to a means-tested full or part age pension.

Prior to this legislation being enacted, and because payments made into the scheme were on an **after-tax** basis, they were entitled to have up to 50% of their defined benefit pension excluded from the age pension income test. This reflected the tax free proportion of the pension being received, which is, in effect, the pensioners' own money being returned to them as a part of their pension.

In June 2015 the *Social Services Amendment (Defined Benefit Income Streams) Act 2015* was introduced into and passed by Federal Parliament. It reduced the maximum offset to 10%.

The 10% cap used within the Social Security income test is not just applicable to those who have a defined benefits pension. The 10% cap rule also applies to other pensions and allowances (eg Carer Payments, Disability Support Pensions), aged care, and any other Social Security areas where entitlements are assessed under the Social Security income test.

The Bill was passed quickly and with little debate. TASS understands that Independents Wilkie and Katter voted against it in the House and that it was passed on the voices in the Senate. Some Greens and Labor Senators, in the debate and

in a Senate Committee hearing, said the legislation would need to be reviewed at some stage to ensure it was operating as intended.

The then Social Security Minister, Mr. Morrison, said it was needed to close a loophole which advantaged retired judges and Public Service “fat cats”, enabling them to “fly under the radar” and claim a part age pension.

This claim by the Minister at the time was false. Data supplied by Department of Social Services (DSS) officials to a Senate Committee in the days before the passage of the Bill clearly indicate otherwise. A summary of their estimates appears below at Attachment 1. The estimates are consistent with actual figures supplied to our National body, the Australian Council of Public Sector Retiree Organisations (ACPSRO), by DSS after the Act had been operating for a few months in 2016.

Subsequently we have obtained additional data relating to the impact of the 10% rule for the financial year 2021-22. This data is shown as Attachment 2.

This data clearly shows that those affected are, to a very great extent, on low to moderate superannuation pensions. These people have had their part age pensions significantly reduced and in some cases eliminated. Executive members of TASS have heard from many superannuants whose lifestyle has been significantly affected. A number, for example, no longer have private medical insurance. These effects are now being further exacerbated by the cost pressures currently being experienced. Some case studies are provided at Attachment 3.

The statistics also show there are almost no defined benefit superannuants on high incomes who have been affected. This is contradictory to the claims made by the then Minister, and not surprising to us. We are unaware of any retired judges or ‘fat cats’ who were previously in receipt of either a full or part Age Pension and benefitted from the loophole the legislation sought to close.

The “10 % Act” took effect at the beginning of 2016. TASS has always believed it is an unfair and totally mis-targeted piece of legislation. It received very little scrutiny before its passage and has not been reviewed since. We believe there is already sufficient evidence available to show it did not meet its intended aim and as a result should be repealed.

An interesting aspect of this legislation is that applies to all defined benefit superannuation schemes, except those applying to military personnel, regardless of the actual profession of the contributor.

Under the 10% rule retirees in receipt of a Defined Benefit pension may only offset 10% of that pension when assessing their eligibility for an Age Pension under the income test.

However, with changes made in 2018, more recent retirees are permitted to offset 40% of their lifetime income stream when assessing their eligibility for the pension under the income test. This change was introduced to encourage retirees to take out lifetime income streams similar to defined benefit superannuation pensions. With this change to the rules retirees with anything up to \$1.3 million in their super account can now become eligible for a part age pension. This is grossly inequitable and unfair, particularly as:

- a) unlike retired public servants who made **after-tax** contributions to their super, these retirees made contributions which attracted a concessional tax rate of just 15%; and
- b) these retirees pay no income tax on their lifetime income streams, unlike retired public servants who must pay tax on both their defined benefit and part age pensions.

Prior to the 2022 election, TASS sought support for the repeal of this Act from all candidates standing for election in Tasmania. In seeking this support we stated:

*While the Morrison Government was making it easier for millionaire retirees to get their hands on the age pension, they're cutting the pension for Tasmania's retired teachers, nurses, police and state workers.*

*The Liberals have moved the goalposts on retired Tasmanians by punishing us for putting money aside for retirement.*

*We are effectively being double taxed – paying tax on wages and salaries when we worked, then being slugged again when we receive our own money as part of our pension.*

*We're not asking for special treatment. We just want to be treated the same as everyone else. People who have served Tasmania's communities all their lives are going without*

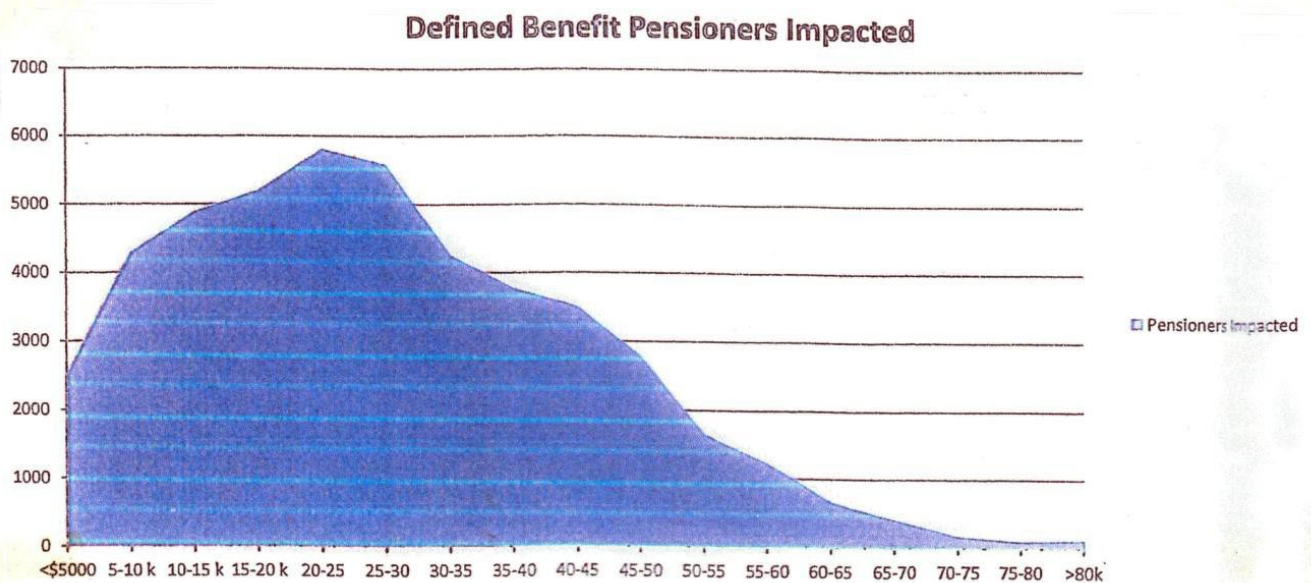
*because of a tax change that only hits them. This election is a chance to fix this inequity. It just needs a bit of fairness and common sense.*

As a result of our efforts we received strong cross party support for our position from Independents, some members of the Liberal Party, the Greens and also the Jacqui Lambie Network. In particular we obtained support for a review of this legislation from Senator Carol Brown and we understand that the Tasmanian Labor Caucus support the review of this legislation. Given the cost of living pressures facing retirees we consider that now is an opportune time to review this legislation with a view to having it repealed. Such action by the Government would deliver important cost of living relief to those retirees who have been adversely affected by this highly inequitable Act.

The mantra about wealthy ‘fat cats’ has clearly convinced some journalists and many politicians that defined benefit pensioners are wealthy ex-bureaucrats when the majority, in Tasmania at least, are former teachers, clerks, police, nurses, forestry workers, cleaners, technicians and other “frontline” workers who saved via **after-tax** contributions for their retirement.

They deserve better and to be treated equitably and fairly in their retirement. The repeal of this legislation will ensure that those older Australians who have been left behind and held back from enjoying their well earned retirement can more fully participate in the community and receive the support needed to catch up. Repeal offers these older Australians support at a time when they are facing excessive cost of living pressures.

### **Attachment 1 – Expected Impact of the 10% Rule (June 2015)**



#### **Data from 2015 (before the legislation was passed):**

Number of Defined Benefit pensioners affected = 46982 (34% of all Defined Benefit pensioners)

Average loss of income= \$2,150

Median Defined Benefit income of those impacted = \$25,700

Percentage of those impacted who have Defined Benefit pensions above \$80,000 = 0.26%

The above statistics are taken directly from the estimates provided to the Senate Community Affairs Legislation Committee by DSS officers on 4 June 2015.

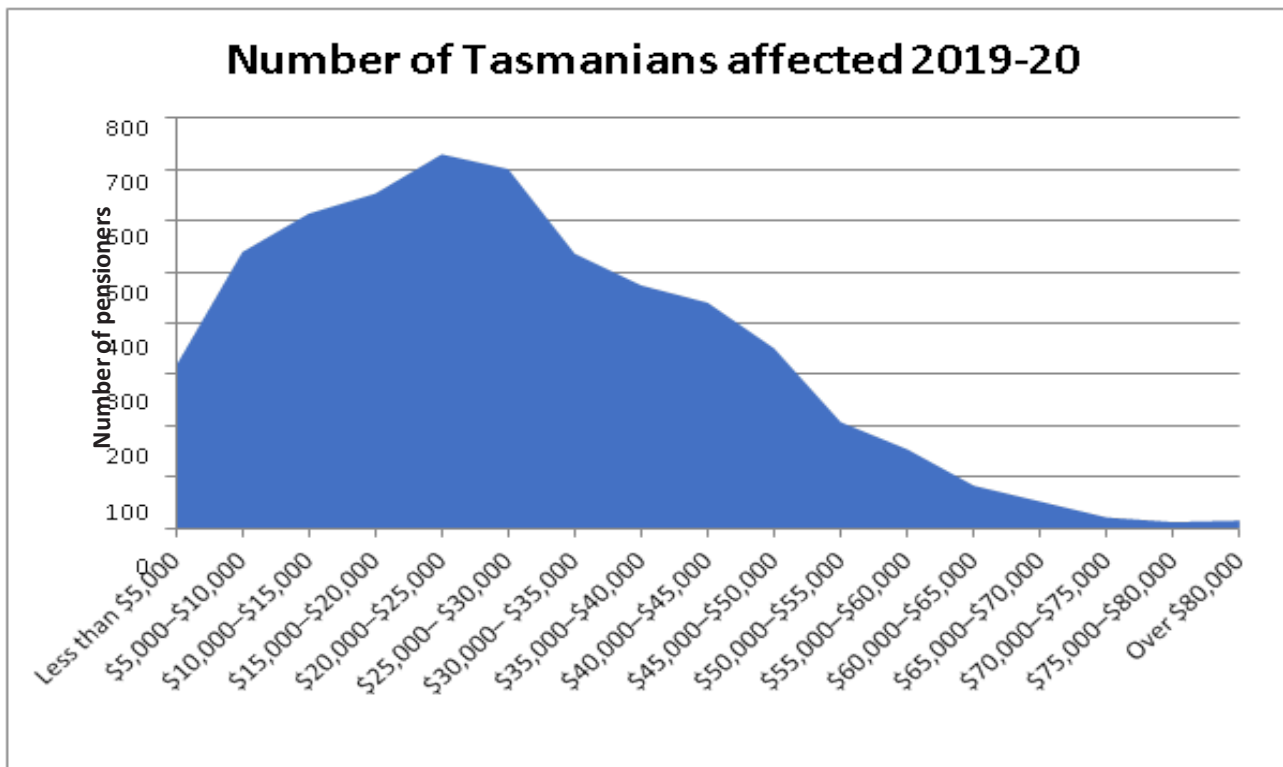
The legislation passed through both Houses of parliament on June 23 and 24.

As mentioned above, these figures agree very closely with the actual results of the Act when it came into effect on 1 January, 2016.

## Attachment 2 – Actual Impact of the 10% Rule (November 2021)

New data provided in November 2021:

Average income of members affected by the legislation approx \$27,500. Number of Tasmanian pensioners affected 6,100 (21-22 financial year.) Value of pension foregone due to the Act (Tasmanian pensioners) \$4.3M.



**Impact Summary** – what was known prior to the legislation has come to pass.

The legislation was supposedly to target ‘fat cats’ earning pensions of \$120,000 plus. However, and as TASS predicted in 2015, the 10% Rule has impacted many of the scheme’s members who are on low incomes and were in receipt of a part age pension (or other Government payments or benefits).

### Attachment 3 – Case Studies

Case studies bring home exactly how damaging this legislation has been.

For example:

1. Mary is a 76 year old single former nurse. She was receiving an RBF pension of \$22100 p.a. and a part age pension - she lost \$78/fortnight (\$2030 p.a.); she has no other source of income.
2. Andrew is an 80 year old former supervisor living in a partnership. He was receiving an RBF pension of \$26900 p.a. and a part age pension - he lost \$19/fortnight (\$500 p.a.).

\*\*\*\*\*

**Below is a representation from The Australian Council of Public Sector Retiree Organisations (ACSPRO) made to a range of politicians including Senator David Pocock. It relates to the proposed scope of the review to be undertaken by the Economic Inclusion Advisory Committee in respect of support arrangements provided by the Australian Government.**

**By email 1 February 2023:**

Dear Senator Pocock

The Australian Council of Public Sector Retiree Organisations (ACPSRO) would like to congratulate you on negotiating that an annual review of the adequacy of support payments be undertaken by the newly formed Economic Inclusion Advisory Committee ahead of each federal budget, and also that the recommendations of that review be published. This is an important outcome for all Australians who depend fully or partially on support from government, especially older Australians.

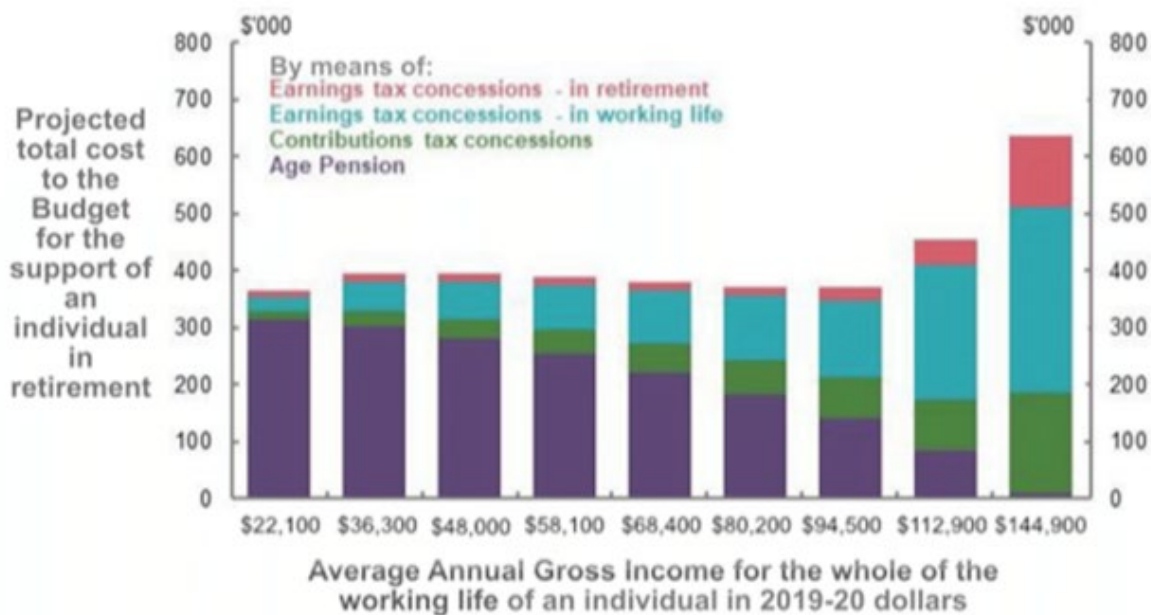
Our organisation, ACPSRO, provides a united voice on the retirement issues affecting retired public servants and retired Defence personnel in Australia. There are over one million households that are impacted by decisions which affect these older Australians who receive defined benefit pensions. It is generally perceived that public sector and Defence retirees have generous pensions. However, in reality, a significant proportion of our members also depend upon a full or part age pension to help make ends meet. They are thus impacted directly by decisions related to the provision of income support from government.

Income support provided by the age pension is only part of the story for older Australians. Access to full or part time work, the availability and adequacy of rental assistance and provision of health and aged care services impact on the well-being of our members. It is therefore important that any review of the adequacy of support payments consider not just the support payment itself, such as the age pension, but also other related payments.

Central to such consideration is the equity of such payments across all older Australians, and the impact of means testing applied to those payments. It is our experience that the effective marginal tax rates associated with the age pension income and assets test are excessive when compared to the marginal tax rates applied generally across the community.

Direct budget expenditures on support payments only tell part of the story in relation to the level of support provided by the government. Increasingly Australians are gaining considerable support from taxation concessions, benefits and rebates. Unlike direct budget expenditures, the level of support provided by indirect means and the distribution of that support is largely hidden as part of the budget process. For example under the superannuation guarantee arrangements considerable support is provided to those with superannuation balances above the level which makes them eligible for even a part age pension. The support provided under the superannuation guarantee arrangements is not subject to the income or wealth tests applied to those more in need and in receipt of either a full or part age pension. It can also exceed the level of support that is being provided to those most in need via direct budget expenditures.

The end result is that the support system in Australia is highly inequitable and more benefits flow to those with lesser needs, while those in most need are subject to onerous reporting and means testing. This outcome was shown in Chart 7 of the Retirement Incomes Review. Below is a copy of that chart, with revised wording on the axes to assist in understanding the chart.



As support is provided by both direct payments and also by way of indirect benefits via the taxation system it is important that any review undertaken of the adequacy of support payments looks beyond direct budget expenditures.

One clear example of the need to look beyond direct payments from the government, is to consider the issue of the stage three tax cuts. For high income Australians this tax cut is no different, in a budgetary sense and also in a personal cash flow sense, to giving those taxpayers a direct and on-going cash payment from the budget that is equivalent to the benefit they may expect from the proposed changes to the tax scales. The impact of such an approach, however, would be to directly highlight who benefits and by how much they benefit. Such transparency would contrast the on-going benefits being provided, and their cost, with time limited support currently being offered to those Australians in much greater need.

Similarly, while those on a full or part age pension face effective marginal tax rates of 50 cents in the dollar once they work more than a day and a half or two days a week, those whose level of superannuation investment makes them ineligible for the age pension not only gain a tax free income from their super, which is not means tested, but are also able to undertake up to \$18,200 of work per annum free of tax and where they exceed that amount of work only pay a marginal tax rate of 19 cents in the dollar until their income exceeds \$45,000. For those older Australians who have super balances approaching the \$1.7 million maximum available to provide an account based pension, the effective level of support received can be double the support provided by a full age pension.

The support system is riddled with such inequitable outcomes, and this comes at considerable cost to the budget. Already the tax concessions associated with the superannuation guarantee scheme are approaching the cost of the age pension, and projections show that even as far out as 2060 a significant majority of older Australians will remain fully or partially dependent upon the age pension for their well-being as they age.

There has been a general reluctance of governments to adequately assess and manage the wide range of concessions, benefits and rebates provided via the taxation system despite them being an important part of the support system available to Australians. This reluctance has permitted these arrangements to operate in a largely open-ended fashion. As a consequence the benefits being provided in the income support space, such as superannuation, are poorly targeted and rarely subject to the regular and on-going budgetary oversight given to support payments provided via direct budget expenditures.

Fifty years ago the Review of the Continuing Expenditure Policies of the Previous Government (Coombs Review) initiated a debate on these “disguised” expenditures. The “main side” effect as reported by Coombs

was that the income effect of some programs was delivering considerable benefits to persons not in need. It recommended various measures in terms of both simplification and scrutiny.

This need continues today, and perhaps with a half century having passed, now is an opportunity to incorporate these “disguised” expenditures into the review framework being undertaken by the Economic Inclusion Advisory Committee.

ACPSRO consider that the review process you have negotiated is important to assure, not only the adequacy of support arrangements in Australia, but also the equity of those support arrangements across all income cohorts. We consider it is therefore very important that the review process not be restricted to only consider the direct expenditures of government, but also extended into the ever increasing, and highly inequitable, support arrangements associated with concessions, benefits and rebates provided via the taxation system.

We would welcome the opportunity to meet with you and discuss this issue in more depth. We have also copied this email to a range of other members of Parliament who we consider may have a specific interest in the adequacy and equity of support payments available to Australians. We have also copied this email to the Chair of the Economic Support Advisory Committee.

Also attached is a position paper outlining the key issues of interest to our members for your information. [ACSPRO Position Paper](#)

Thank you.

**John Pauley**  
**President, ACPSRO**

\*\*\*\*\*



**Who we are.**

ACPSRO, formed in 1997, provides a united voice on the retirement issues relevant to Commonwealth, State and Territory public servants and Defence retirees who receive Defined Benefit Superannuation Pensions to which they had to compulsorily contribute from their after tax income. These issues impact upon the well-being of more than one million Australian households. The majority of these retirees provided front line services to the community including teaching, nursing, emergency services, transport services, energy, the provision of infrastructure, the needed administrative services to support these essential functions and the defence and security of our country.

We simply ask to be treated fairly and equitably compared to other retirees.

**Key Issues for public sector retirees and ACPSRO**

The superannuation arrangements for public sector retirees are often perceived to be generous even though the average defined benefit pension received is about the same as an Age Pension. This has resulted in governments across the country introducing changes which have negatively impacted on the standard of living of those we represent. ACPSRO, and its member organisations, continue to lobby governments to reverse these changes and preserve the benefits retirees have built up from years of dedicated public service.

**•Indexation**

The value of public sector pensions is eroded significantly over time relative to the retirement incomes of others as the CPI indexation arrangements of their pensions do not reflect either increasing real wage levels in the community or changes in the cost of living faced by retirees over the course of their retirement. The Age Pension is more fairly indexed (Attachment 1).

*Action Sought:- Given our experience with inadequate indexation arrangements, we call upon all governments to apply the provisions of the Defence Force Retirement Benefits Legislation (Fair Indexation) Act to all defined benefit pensions so their real value is maintained and so those retirees, including under 55-year-old*



*superannuants, invalidity benefit pension recipients, and reversionary benefit pension recipients, are not further disadvantaged.*

**•Taxation of Public Sector Pensions**

Unlike retirees receiving the benefit of tax-exempt account based pensions and lifetime income streams, plus generous taxation concessions during the accumulation of those benefits, the pensions of those we represent are generally still subject to income tax in retirement. They also face significant taxation imposts when seeking to supplement their retirement income with additional work or investments. These taxation imposts are the direct effect of conscious government decisions which resulted in public sector superannuation schemes being un-funded, even though all private sector employers are legally required to fully fund their employees' superannuation.

*Action Sought:- Given the Commonwealth Government's encouragement for retirees to access lifetime income streams by providing generous taxation and welfare concessions to such retirement products, we seek the application of the same rules to defined benefit income streams.*

**• Aged Pension Access and the 10% Rule**

In order to improve their retirement income, many public sector retirees made additional after-tax contributions to their compulsory superannuation during their working life. However, changes made in 2016 to the Age Pension income test requirements have restricted the amount of these contributions which could be deducted from their retirement income when assessing their age pension entitlement to 10% of their superannuation pension. This has resulted in many low income retirees having their retirement incomes significantly reduced due to a reduced age pension entitlement or the total loss of any age pension support in their retirement. As a result most of the budget benefit flowing from this change has been provided by low income pensioners, not the high income retirees who were supposedly benefiting from a loop hole introduced in the 2007 Simpler Super reforms.

*Action Sought:- ACPSRO seeks that the arrangements applying to those retirees who choose a lifetime income stream also apply to public sector superannuants, including the provision of a 40% offset in relation to the application of the income test and that pensions be exempt from income tax.*

**• Access to Commonwealth Seniors Health Card (CSHC)**

No asset test is applied to **older** Australians who are seeking a CSHC. It is only assessed according to income received, plus deemed income from any financial assets held. With the recent changes to CSHC eligibility which have lifted the income limits to \$144,000 for couples and \$90,000 for single retirees, there is now little justification for any means testing of this benefit. For those retirees in receipt of an account based pension or who operate a SMSF the application of deeming means they are still eligible for a CSHC even though they may have in excess of \$5 million in personal assets and may also be drawing an account based pension in excess of the amounts referred above.

*Action Sought:- That all retirees are provided with a CSHC once they reach the age of 70.*

**• Cost of Public Sector Pensions**

Like the cost of the Age Pension, the cost of the superannuation pensions for those we represent is transparent and frequently the subject of media commentary focusing on the level of expenditure provided annually to fund the pensions of retired public servants and former Defence personnel.

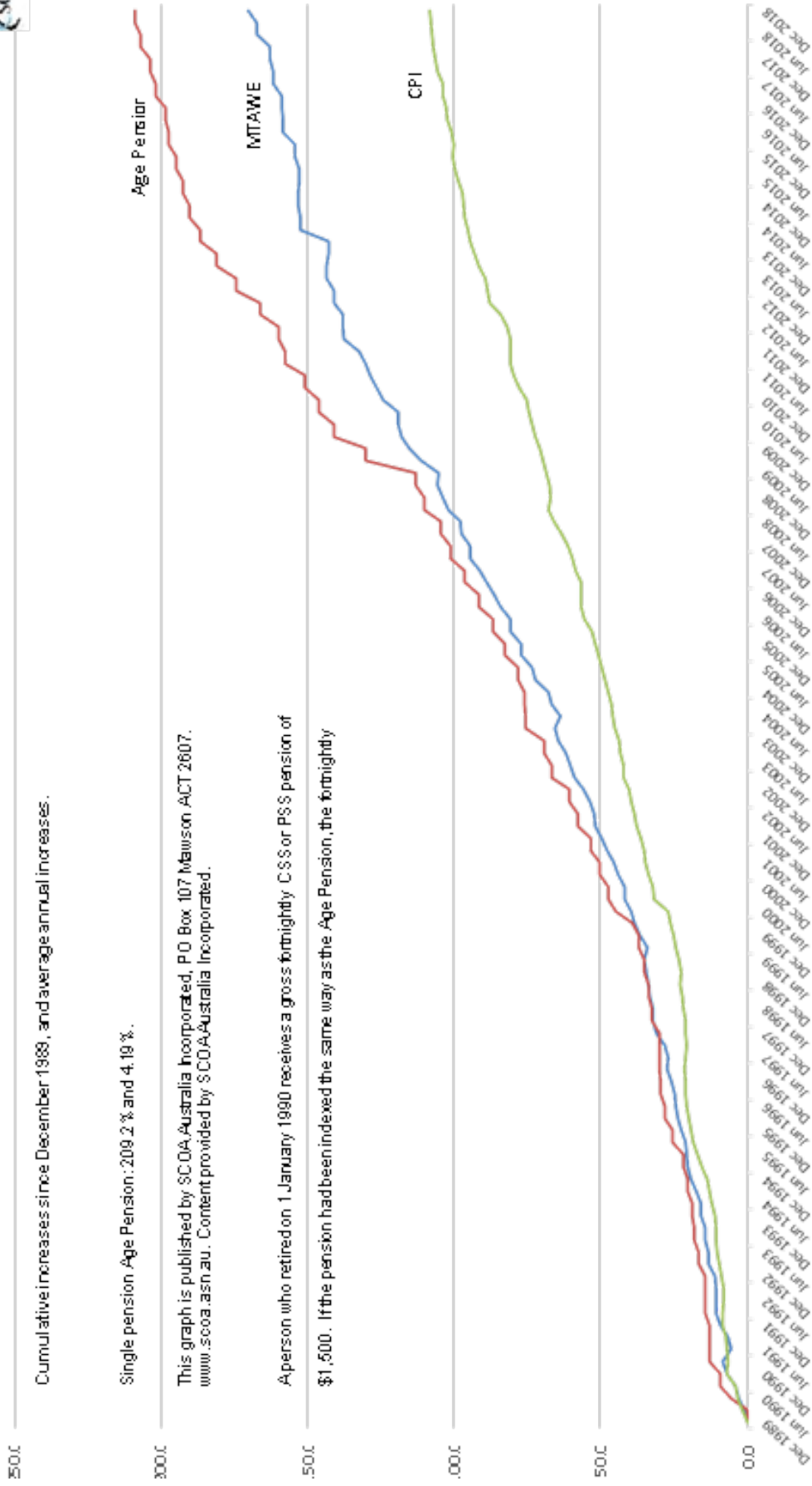
This commentary ignores the fact that successive governments failed to fund the superannuation pensions of their employees and serving members of the Defence Force. Instead, they used those funds to provide public infrastructure and the public services sought and enjoyed by all Australians.

*Action Sought:- That the balance sheets and income statements of governments be adjusted to explicitly recognise that past governments have borrowed from the future entitlements of their employees to fund the provision of infrastructure and public services and that present day payments to fund pension entitlements are not payments of income to retirees, but are capital payments against the liability incurred as a result of past decisions*

## Attachment 1: scoaaustralia

### Cumulative percentage increases in the age pension, MTAWE and CPI from 01/01/1989 to 31/12/2018

Cumulative percentage increases in the age pension, MTAWE and CPI from January 1989 to end December 2018



## Australian Cricket Society Tasmania

The Tasmania branch of the Aust Cricket Society has some 250 members across the State.

The Society conducts regular functions at Blundstone Arena, often with interstate or overseas speakers, during first class matches. There is also an annual dinner and golf day for members and friends.

Those still of the persuasion can play with the *Last Over XI* or our associate's team, the *Thylacines XI*.

Our monthly *Break o'Day* newsletter provides articles about current cricket and past glories.

The Society is a significant supporter of and manages the Tasmanian Cricket Museum and Library at Blundstone Arena.

In 2003 the Society donated a painting celebrating the One Day International, Australia v England, played at Bellerive Oval. More recently the Society has sponsored the Ricky Ponting Corner in the Museum, Cricket Tasmania's 150<sup>th</sup> anniversary painting as well as the pre-Shield Tasmanian Cricketers display in the CT Members forecourt. In 2018 the Society commissioned an oil painting of George Bailey. An annual Emerging Young Tasmanian Cricketer award is part of the Society's link with the development of the state's cricket youth programmes.

### The Annual Membership Fee is \$30 which includes family members.

---

Via TASS

#### ACS TASMANIA MEMBERSHIP APPLICATION

(1 April 2023 to 31 March 2024)

Surname:.....Given name(s).....

Family member names: .....

Address:.....P/Code:.....

Phone: .....Email:.....

Signature: ..... Date: ...../...../.....

**EFT or direct deposit to ACS Tasmania – CBA; BSB 067000; Account No 0091 4525.**

**Or:**

Send with payment to the Treasurer, Ms Vicki Harrison, 16/33A Clydesdale Ave., Glenorchy 7010.

**Or**

Leave at the Cricket Tasmania Office, Blundstone Arena – Attn: Mike Gandy.

.....

## Useful contacts for TASS Members:

### Retirement Benefits Fund (RBF)

All enquiries 1800-622-631  
Website [www.rbf.com.au](http://www.rbf.com.au)

### Australian Taxation Office (ATO)

Personal taxation information 13 28 61  
Website [www.ato.gov.au](http://www.ato.gov.au)

### Centrelink

(Access Centrelink and Medicare services)

Older Australians and Financial Information Services 132 300  
Disability, Sickness and Carers 132 717  
Website [www.humanservices.gov.au](http://www.humanservices.gov.au)

### TASS Executive – Administration:

**TASS Postal Address:** GPO BOX 1650, Hobart, TAS 7001  
**E-mail:** [info@tass.org.au](mailto:info@tass.org.au)  
**Phone:** 0448 731 845  
**Website:** [www.tass.org.au](http://www.tass.org.au)  
**Facebook page:** [www.facebook.com/TASSTasmania](http://www.facebook.com/TASSTasmania)  
**President:** John Minchin Ph: 6247-1115/0418 316 034  
**Vice President:** John Pauley Ph: 0415 287 115  
**Secretary & Public Officer:** John Chalmers Ph: 6249-1240/0448 731 845  
**Treasurer:** Mike Walker Ph: 0428 376 741  
**Membership Officer:** Charles Thomas Ph: 0422 414 861  
**Super-News Editor:** Jeneane Thomas Ph: 0408 485 902  
**Other Committee Members:**  
Jean Walker, Stephen Graetzer, Ross Brown, Ross Butler, Murray Harper, Chris Bevan  
**Northern Tasmania Representative:** Vacant  
**North-West Tasmania Representative:** Donald Wells Ph: 6432-3641

### Change of Address:

Should you change your address and/or email details please advise the **Membership Officer, Charles Thomas**, so that he can update our records. Phone: 0422 414 861

#### DISCLAIMER

*Super-News* is published by the TASMANIAN ASSOCIATION of STATE SUPERANNUANTS Inc. ("the ASSOCIATION"). This publication is provided by the Association in good faith to collect and provide information which may be of interest to Retirement Benefits Fund (RBF) pensioners and members of the RBF defined benefits scheme.

The Association is not affiliated with the RBF or any other superannuation fund in any way and is not responsible for the products and services, views, or actions of the RBF or any other superannuation fund.

The information provided in this newsletter is of a general nature and does not take into account your personal investment objectives, financial situation, or specific needs. The information provided in this newsletter is not intended to be, and should not be construed as providing, any financial, accounting, legal, or professional advice. Any person seeking to rely on the information provided in this newsletter should first contact the RBF to ask for confirmation of details and entitlements, as well as seek advice from a licensed financial advisor, accountant, lawyer, or other professional advisor as appropriate. While the Association attempts to keep the newsletter accurate and up to date, no warranty is given that the information provided is accurate and up to date. Except where liability cannot be excluded by law, the Association does not accept liability for any loss or damage arising in any way, including loss or damage caused by the negligence of the Association or its servants or agents, from reliance of the information provided in this newsletter.