



Superannuated  
Commonwealth  
Officers'  
Association  
(Federal Council) Inc.

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27 September 2016

Hon Kelly O'Dwyer MP  
Minister for Revenue and Financial Services  
Parliament House  
Canberra ACT 2600

Dear Minister

### **Treatment of Defined Benefit Superannuation Pensions,**

Congratulations on your appointment as Minister for Revenue and Financial Services.

Our organisation, the Superannuated Commonwealth Officers' Association (SCOA) represents former Commonwealth public servants. Over 300,000 current and former Commonwealth public servants belong to the CSS and PSS defined benefit schemes, including over 150,000 who are currently receiving superannuation pensions. In addition to their defined benefit pensions, many of them have additional superannuation assets, in account-based pensions or in self-managed superannuation funds. They would like to find out how those additional assets will be treated.

In the recent Budget, Budget Paper No. 2 said only that there was a need for consultation to determine how to treat such cases when ascertaining whether a superannuation pensioner had exceeded the \$1.6 million cap on the amount of assets held in the pension phase. My colleagues and I would welcome the opportunity to meet with you to obtain some information about the options under consideration.

In addition, there are some other issues of interest to our members, including the change to the taper rate for the age pension assets test to come into effect on 1 January 2017, and the deeming rates for the income test for the age pension. Both the change to the taper rate and the deeming rates assume that age pensioners can receive unrealistically high interest rates on their investment.

I would be delighted to meet with you at your earliest convenience to discuss the above issues and some other issues of concern to our members. I attach copies of recent correspondence with some of your colleagues on some of the issues.

I will contact your office in the near future to see if we can find a mutually convenient time to meet.

Yours sincerely

A handwritten signature in black ink that reads 'A. J. Barbetti'.

(Dr) Annette Barbetti  
FEDERAL PRESIDENT