

# THE SUPERANNUANT

Newsletter of the South Australian Government Superannuated Employees Association Inc  
Trading as S.A. Superannuants. Established 1927 <https://www.sasuperannuants.org.au/>

*Membership Applications/Renewals(e-mail preferred during COVID-19)*

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## From the President



2020 has been one of the most unusual of the 93 years of the Association's existence and it followed a landmark year with the broadening of our constitution to include retired Commonwealth public servants which to date has added 230 new members.

COVID-19 has caused us to suspend our General Meetings and conduct our committee meetings using ZOOM.

The battle against COVID-19 has given your Committee reason to think seriously about how we should proceed in the future. It seems that 2021 will be a year of consolidation of recent improvements to our operations and the adoption of some new operational processes. Our newsletter, "The Superannuant", will be basically unchanged. Our website had been substantially upgraded well before COVID-19 struck. The resultant changes are almost complete and give us a much more informative site (for members, potential new members and all persons interested in our area of superannuation) and a management communication tool which we will soon be testing with a survey of all members who have provided us with their email address.

This may be an appropriate time to review the nature and purposes of our regular General Meetings and the way in which our Committee operates. We hope that General Meetings will recommence in November and in a similar format as previously. However, we also should be a little more conscious of the fact that General Meetings compose about 100 of our 1700+ members and that we need to reach out equally to the other

1600+. They need to be informed at the same level as attendees at General Meetings. Our newsletter and the upgraded website will need to play a stronger role in achieving this objective and your Committee will have to accept that role.

Your Committee needs to look at its own operational framework if it is to succeed in the above roles beginning with a change in its meetings. We are trialling the use of ZOOM which will give us the flexibility we need in respect of date, time of day and location. One aim is to attract to the Committee members with special expertise that we need but who do not wish to commit to a regular monthly meeting. We see this as a matter of priority and will keep you informed through the newsletter and the website.

2020 has been an unusual year and this is an unusually long President's contribution to the newsletter. There will be trial and error as we search for, and bed down, new or varied ways of operating and we will make certain that we do not get ahead of members. The AGM is around the corner and this could be just the time for some volunteers to help our Association into its next phase by standing for the Committee. We are conscious of the fact that until a vaccine becomes available a great deal of uncertainty remains. What we plan for now may need to be adjusted not once but several times. Whatever occurs your Committee is committed to a strong future for the Association, albeit different in many ways.

This is my last "From the President". Unfortunately my health has deteriorated to the extent that I had to resign on 7 August. The challenges ahead for the Association are substantial but I am confident that they will be met. Thank you for the opportunity and thank you to a wonderful Committee. *Peter Fleming*

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**Disclaimer:** Readers should not act, or refrain from acting, solely on the basis of information in this newsletter, but should consult the relevant authorities and advisers.

### Committee positions for 2021

Nominations are called for the Officer and Committee positions on the Association's Executive Committee

President  
 Vice-President  
 Secretary  
 Treasurer  
 Membership Officer  
 Assistant Secretary  
 Guest Speaker Co-ordinator  
 Committee member (6 positions)

Information about the Officer and Committee roles is provided in the Committee Manual which is located on the *About* page of the Association website. Send your nomination by post or e-mail to the Secretary by January 21, 2021.

### Honorary life membership proposals

At the 2021 Annual General Meeting the Executive Committee will be recommending three members for the award of Honorary life membership of the Association. These are:

**Peter Fleming** for his leadership in the role of President since 2009. Peter has been an effective advocate for the interests of members at meetings of the Superannuation Federation and with State and Federal MPs.

**Max Jahn** for his contribution to the Association as Membership Officer since 2011, Newsletter Coordinator for three years and the Committee member responsible for audio-visual equipment.

**Christine Venning** for her service as Assistant Secretary 2010-2013, Secretary 2014-2019 and delegate to the SA Superannuation Federation for many years.  
*The Executive Committee*

**CPI Change:** The Adelaide Consumer Price Index change for January 2020–June 2020 was **minus 0.69%**. This resulted from the combination of a **0.34% increase in the March quarter** and then a **1.04% fall in the June quarter**. This means that there will be no increase in Super SA pensions in October 2020. Future CPI adjustments to the pensions will occur once there have been CPI increases greater than 0.69%.

CSS and PSS pensions, which are indexed to the average CPI changes for the 8 Australian capital cities, were increased by 1.0% in July. This increase was based on CPI changes that occurred in the December, 2019 and March, 2020 quarters. Both changes were positive and the negative change in the 2020 June quarter will influence the January 2021 CPI adjustment.

### General Meeting-November 2020

A General Meeting has been scheduled for 1 p.m. 30 November 2020 in the Mead Hall of the Flinders Street Baptist Church at 65 Flinders Street Adelaide. The Guest Speaker will be **Mac Benoy** speaking on the topic "**Sir Charles Todd and the Overland Telegraph Line**".

*In terms of arrangements made ahead of the meeting, and during its conduct, this will be a meeting different from any held previously.*

In order to comply with current SA government COVID-19 directions a COVID Safe plan has been prepared by the Association and the meeting will proceed in accord with that plan as well as the plan the Church has been required to develop for meetings in its Mead Hall.

The maximum number of people in attendance, besides the Committee members organising the meeting, has been set at 50 by the church. If you intend coming to the meeting you must register that intention by contacting Secretary Brenton Pain by telephone or text message (0401148751)

or e-mail ([brenton.pain@outlook.com](mailto:brenton.pain@outlook.com)). Brenton will keep a record of those who register and, in the event of more than 50 members registering, a list of additional people who will be notified should there be cancellations.

As members arrive at the Mead Hall they will be checked off on the list of those who have registered and asked to confirm that they have no flu-like symptoms. If you feel even slightly unwell on 30 November you should not come to the meeting. Seating will meet the requirements of social distancing and hand sanitiser will be provided. There will be at least two Committee members present in the role of COVID Marshals.

*The Executive Committee*

### Member's Portal

Members are reminded to visit the Member's Portal on our website from time to time to see what has been added. The website address is provided in the banner of *The Superannuant*. The minutes of the Executive Committee are now available for viewing.

*Peter Frick*

### Membership Officer Report

In contrast with the disastrous year we are having socially and economically, SA Superannuants have a rejuvenated membership and management. Membership has risen from 1500 in 2019, to 1700 now. The committee is 9 strong, with 4 observers/special support people. Additionally I am delighted to note that there are two additional women, Ann Nankivell and Keren Wicks, together with Eileen at last.

The time has come again for me to remind all annual members that fees are payable in advance, and an awful lot expire at the end of this year. When you receive this newsletter check your membership section.

There is a proposal for the AGM in 2021 to raise all membership fees by 33%. If your expiry date is 31/12/2020, **get your renewal in straight away. Paying this year will cost you only \$15 per year.**

*Max Jahn*

The cagey bird gets the worm,  
but the second mouse gets the cheese.

Isn't it a bit unnerving,  
that doctors call what they do,  
"a practice"?

### Volunteering in 2020

Our member Greg Manning has written to us about his volunteer work and how he is continuing with it under the COVID restrictions.

#### Working from home as an 'Iso-volunteer'

At the end of 2014, I ended one chapter of my life as a Teacher Librarian to begin a new chapter volunteering in what for me is even more of a dream job. The last few years, I have been helping in Saint Barnabas College (SBC) theological library at 18 King William Road, North Adelaide opposite St Peter's cathedral.

In 2014 the college was gifted one of Australia's largest private theological libraries of about 75,000 books. The collection arrived in 1,837 cartons and included steel shelving. Ros Devenish, the librarian at the time, and a group of volunteers including myself, reassembled the shelves in stages as we made room by unpacking the books. I must admit, assembling shelving is not one of my favourite library jobs but unpacking boxes of books was a joy of discovery.

Some of the boxes contained a few beautiful general interest books, on topics such as gardening or Australian birds. Most of these were put aside for sale to the public.

In August 2016 we celebrated opening the last 20 or so boxes and the completion of Stage 1 in the establishment of the Library for SBC. It was a great pleasure to finally see open space where the cartons had been and begin to plan for its further development as a learning place for theological students and future ministers. Over 1,000 books had already been catalogued and shelved in their classifications available for borrowing. Others were already in use for courses and subjects which the college teaches.

Since that time about 21,000 more books have been catalogued bringing the total up to over 22,000. There are still about 38,000 more to be processed plus many other donations and purchases of new books.

For me one of the great joys of my day is reading the book titles. On more than one occasion I have laughed out loud after reading an attention-grabbing title. The range and diversity of the topics is fascinating. Many of them have dual themes crossing between spirituality and the arts for instance, or the ethics of globalisation.

Now that the library's work is restricted by the Corona Virus it is still functioning on-line via the

internet. Fortunately, thanks to Katrina Dal Lago, the current librarian, I can still enjoy my volunteering by working from home. Though I miss the camaraderie of the people at St Barnabas I can still enjoy their company via email and do my bit to support the diocese and theological learning. For those interested the library catalogue can be searched online at <https://www.sbc.edu.au/library/> or the library can be visited when it re-opens at: **St Barnabas College**, 18 King William Road, North Adelaide 5006 SA, telephone: (+61) 08 8305 9380. *Greg Manning*

### Letter from a long-standing member

In issue 58 of *The Superannuant* there were several items foreshadowing the extension of the Association's traditional means of communicating with its members via General Meetings, and *The Superannuant*, to include communication via e-mail and the website. This has seen our member Betsy Boundy, who lives in Canberra, write to President, Peter Fleming, to let us know that she will be relying on *The Superannuant* continuing to come to her in the post. Peter has written back to Betsy to reassure her that members like her will not experience any reduction in the contact they have with the Association. The two letters can be read below.

#### Betsy's letter

Dear Peter,  
Thanks for your letter re e-mail addresses and for the usual newsletter. As always thanks for the ongoing work that you and others are doing so adeptly on our behalf.

I thought it best to let you know that, in spite of my 97 years, I have never owned a computer so I cannot receive e-mail. Unfortunately, Telstra who owns my very necessary phone-for-the-very deaf made me join NBN who unknown to me gave me an e-mail address. This has caused me a great deal of worry. So would you please let any of the crew know who need to know – **no e-mail will reach me.**

Another matter of interest. Bill, my late husband, and I both trained as high school teachers so had to teach for 5 yrs after we finished training or else pay back our university fees. I temporarily resigned to bring up our young family so Bill had my repayment of uni fees taken in fortnightly amounts from his salary which back in those days, was very small. Needless to say, with 4 children, we were very poor for many years because Bill had always taken out the maximum amount of super that he

could. That long period of not being able to buy anything that was not really necessary has stood us in good stead for the rest of our married life and accounts for the many people who might think that I am far better off than they are if they are on a similar type of government super: and back in those early days women were not allowed to take out super once they married. That actually was, many years later, corrected.

I still remember how much enjoyment it was for me to attend the regular meetings when I was still living in Adelaide.

Yours sincerely, Betsy Boundy, Canberra

#### Peter Fleming's reply

Dear Betsy,

My apology for the delay in replying to you and thank you for your most interesting letter.

When South Australian Superannuants was formed in 1927, it was very tough indeed for women to have a career outside of marriage and a family, and things changed very little until well into the late 60s and early 70s. You were studying to be a teacher at about the same time as I was born in 1942. It was many years before it was accepted by the public service that a woman could have both a career and marriage. Indeed, primary school teaching and nursing were two of the very few professions open to women in those years, but not if you were married. I remember early in my working career that it was still compulsory for women to resign once they got married and still longer before they would be accepted for superannuation.

But back to the matter which prompted you to write to me. Not owning or knowing how to operate a computer is a problem for a significant number of our members - perhaps 25% or more of them. This is particularly the case for people over 80 years of age who have never owned a computer and never will. We are trying to encourage all those of our members who have a computer and are on the internet to provide us with their email address - it is so much easier and cheaper for us to communicate with them. However, you can be assured that we value all members equally and that we will continue for the foreseeable future to use postage to provide persons like yourself with our newsletter and information about significant matters. I am confident that we will be providing this service for many, many years to come.

Of course, the newsletter is of even more value to you as a resident of the ACT and unable to attend our general meetings any more. I lived in Thailand for more than 10 years and I looked forward to receiving my newsletter *The Superannuant* by post.

Recently we changed our constitution to allow retired Commonwealth public servants to join our Association. Many have done so and this has made us a stronger organisation. Many of our members are former teachers who went to Teachers College on scholarships just like you and your late husband. Indeed, seven members of our Executive Committee of twelve were former teachers/administrators in either the Education Department or the Department of Further Education (TAFE). Five members of our committee are over 80 years of age and a couple more are approaching that same age.

I will circulate your letter and my reply to all our committee members. They will be delighted to read about you and those early years when you and your husband qualified as teachers. They will be very interested to learn that getting married and having children had one severe consequence which was having to pay back your scholarship allowances - a considerable sum in those days. Today we would regard it as most unreasonable for a couple to be punished for marrying and raising a family. You will be interested to know that one of our Committee members, Max Jahn, remembers your husband when he was a teacher at Unley High School. He said that Bill was regarded as an excellent teacher, particularly by his students.

Its great that you are still in touch with us . I too have a hearing issue and need amplification on my phones in order to have a telephone conversation. I notice that there are increasing numbers of us with this equipment. It certainly improves the quality of my life.

It has been a trying time for us, living with the COVID-19 pandemic. We have had to suspend our monthly general meetings and we hold our committee meetings by using teleconferencing technology. The technology has been easy to use and our meetings have been quite successful. Hopefully we will be able to resume general meetings before the end of the year.

Well Betsy, I hope that this letter has been informative to you. Your letter to us was very useful to me and my committee. We have been reminded of the importance of being aware of the

circumstance of our older members, particularly in respect of the technology many of us take for granted and do not realise is not available to members like yourself.

I hope that you are keeping in good health and I was pleased that our newsletter is of value to you. Kind regards, Peter Fleming

**Coordinator's note:** Betsy's letter rang a bell with committee member Barry Grear who says: *I worked with Betsy's husband Bill at the Institute of Technology, he was a lecturer in Physics and I lectured in Electrical Engineering. At that time we got together with Victoria and formed the Association for Colleges of Advanced Education Staff Association. The four of us spent many weekends in Melbourne doing the negotiations. The team was Bill, Mike Miller, Eric Tamblin and myself. We formed the body initially with Queensland, Western Australia, Victoria and South Australia. Our first CAE/Inst national union. Bill was a great person.*

### Argo shares versus term deposits

In issue 58 of *The Superannuant* it was reported that the Association's Argo shares had, in the first three months of this year decreased in value from \$38,280 to \$29,938 due to the economic crisis brought on by COVID-19. During this period the share price reached a high value of \$9.05 on February 12 which then fell to \$5.54 on March 23. By early September the price had recovered to \$7.52.

The initial Argo investment was \$19,522 made in August 2008. The number of shares purchased at that time was 2,850 and the purchase price per share was \$6.85. This share price declined initially due to the Global Financial Crisis (GFC). All dividends received since the initial purchase were fully franked and were used to purchase more shares so that now we own 4,475 which at 3 September were valued at \$33,652.

In the table on the next page the investment of \$19,522 in Argo shares is compared with investment of the same amount in each of our term deposits without taking income tax into account. If income tax paid on both bank interest and dividend income was taken into account, as well as capital gains tax that would be payable if we had sold the shares on 3 September, the gain for the Argo share investment would be larger than shown in the table due to franking credits received on the shares.

	<b>TD1(\$ )</b>	<b>TD2(\$ )</b>	<b>TD3(\$ )</b>	<b>Argo(\$ )</b>
<b>August 2008</b>	19,522	19,522	19,522	19,522
<b>September 2020</b>	27,967	30,919	31,330	33,652
<b>Gain</b>	8,445	11,397	11,808	14,130

The figures in the Table tell us that the Argo investment has survived both the GFC and the COVID-19 crisis and still provided a significantly better return than any of our term deposits.

*Michael Evans and Ray Hickman*

### **COVID-19 and investment returns**

This article was prepared by *Funds SA* at the request of the Association.

The decision by governments globally to shut down their economies to address the COVID-19 pandemic has caused major economic and financial market disruption in 2020. Listed equity markets fell by circa 30% from their highs, with other asset markets also experiencing levels of volatility not seen since the Global Financial Crisis. This impacted investment returns across most asset classes resulting in negative returns across the majority of investment options for the month to 31 March 2020.

Although financial markets fell sharply, the international policy response was quick, with various fiscal support programs aimed at alleviating lost incomes arising from the pandemic shutdowns, supported by central banks committing to keep interest rates near zero and expanding asset purchase programs. By the end of the 2019-20 financial year, global equity markets had recovered most of the fall seen in March, led by the US technology and health sectors, reflecting the increased demand for their products and services from the impact of COVID-19 and resultant isolation policies.

The key difference in dealing with this crisis, relative to previous episodes, has been the shift in policy emphasis. Central banks in the developed world had very few traditional policy levers (cutting interest rates) available when the crisis escalated. Massive asset purchase programs and credit support mechanisms were introduced to help companies and economies. Importantly, a recognition that monetary policy was less effective

encouraged governments to introduce large spending programs, blowing out budget deficits to post-war highs, including the Australian Federal Government stimulus response, which was above 10% of GDP by the end of the financial year.

Hopes for a quick recovery continue to wax and wane, but real time measures of economic activity are moving in the right direction. Chinese activity bounced back quickly after a sharp decline and this has spurred investor hopes that developed countries will follow a similar path, however, it is probable a number of longer-term implications will transpire.

Low interest rates will likely remain for some time to provide support to asset markets. There has been a global move to a new policy paradigm; central banks directly supporting government spending measures to support the economy. The long-term risks associated with such a shift in policy are slowly evolving with inflation expectations rising from their lows, helping to support inflation sensitive assets such as gold, inflation-linked bonds, and other real assets.

There are also long-term risks associated with the massive fiscal stimulus provided by governments to support the economic recovery. More and more households and businesses have become dependent on government benefits and subsidies. As prolonged lockdown measures exacerbate income inequality, the pressure for additional ongoing government intervention may continue to increase.

Finally, the COVID-19 pandemic brings long-term risks that the global economy will be hampered by lower migration rates and weaker globalisation. Not only has the pandemic resulted in significant international travel restrictions, COVID-19 has provided tinder for the combustible US-China trade relationship. Fears have begun to manifest in trade, with corporates and governments considering diversification of their supply chains, restricting technological access, and slowly reversing the long-term trend of globalisation.

### **COVID-19 and the ANMF**

This Article was prepared by the SA branch of the *Australian Nursing and Midwifery Federation (ANMF)* at the request of the Association. As COVID-19 has progressed we have seen ever more clearly the impact on ANMF members and others

working to protect all Australians and particularly those of us who are older.

The COVID-19 pandemic has had a marked effect on ANMF (SA Branch) members, including loss of shifts, fears over personal protective equipment (PPE), financial hardship, anxiety about exposure to the virus and even abuse from panicked members of the public.

On a positive note, the ANMF's #KeepThemSafe social media campaign resulted in a public surge in moral support for nurses, spearheaded by such celebrities as James Brayshaw, Tony Pilkington, Peter Goers, Jeremy Cordeaux, Anne Wills, Maggie Beer, Mark Ricciuto and Jane Reilly who posted their thanks to SA health care workers.

Following the Government's direction in March for elective surgery to cease in anticipation of the expected spike in COVID-19 cases (which thankfully never eventuated in SA), hospital activity dropped dramatically.

Whilst there was an impact on the permanent workforce (some were directed to use available leave and redeployed to other areas of the hospital network), by and large casual employees bore the brunt of this direction. Many went from steady and reliable shifts to no work at all. With other financial support not available to public sector employees (such as JobKeeper), casual employees were forced to apply for JobSeeker payments, many for the first time in their nursing careers.

There were extensive delays in obtaining these payments, which exacerbated the financial stress on those individuals who were unable to meet mortgage and rental payments. The ANMF strongly campaigned for the State Government to subsidise those affected.

One Adelaide nurse told ABC Radio in June she was struggling to put food on the table. "Just because we have no work and no income doesn't mean our cost of living has stopped," she said. "People had to put mortgages on hold, they had to rely on their extended family to help feed their children."

Within the aged care sector in SA, even in the face of the pandemic and the tragic deaths occurring interstate, there have been cuts to shifts and staff numbers, reducing the quality of care to residents. Lack of resources and staffing have created a

situation where aged care workers have been reduced to tears at being unable to provide the level of care required.

The most recent State Government announcement barring personal care workers from working at more than one aged care site has sparked fears of financial hardship for many. The ANMF (SA Branch) has strongly advocated for the wages of aged care staff affected by this ruling to be protected by subsidies as has been approved in Victoria. We are still hearing reports of shortages in supply of personal protective equipment in the aged care sector.

The ANMF (SA Branch) has from the outset constantly sought clarification from health authorities over PPE usage guidance for all health care workers. Frustrated by lack of action and buck passing, we developed our own set of guidelines for members, based on exhaustive studies of overseas and national models.

Fears over health care workers potentially transmitting COVID-19 resulted in nurses being abused in public, prompting the ANMF (SA Branch) to recommend that nurses not wear their uniforms outside of their working environment.

It's also believed community mental health issues and drug and alcohol abuse issues have been exacerbated by COVID-19, possibly explaining the rising violence against health care workers in hospitals.

There are on average 36 violent incidents a day at South Australian hospitals. Member campaigns and vigorous negotiations by the ANMF (SA Branch) team have helped to bring about changes to legislation and commitments from SA Health that enhance safety in our working environments across all levels.

First win people's hearts  
before you win people's minds.  
However: "A little nonsense now and then is  
cherished by the wisest man".  
Roald Dahl

### **Surviving spouse pension update**

Issue 58 of *The Superannuant* contained an item dealing with surviving spouse pensions and since that issue was sent out the Association has had this update on the matter from Super SA.

## **Making Life Easier For Your Partner while COVID-19 restrictions apply**

With the uncertainty brought about by COVID-19 Super SA has worked together with the SA Superannuant Association to ensure continuity of service.

In the last edition of 'The Superannuant' an article was published outlining smoothing the way for your Spouse or Partner to receive a Spouse Pension on your passing. Due to the temporary closure of the Super SA Member Centre we have made amendments to this procedure for your continuing peace of mind.

To make the process of applying for a Spouse Pension for your Spouse or Partner as seamless as possible, you can lodge certain certified documents with Super SA today, to be stored against your record for the future, then all your Spouse or Partner needs to do is provide a certified copy of your death certificate, their proof of identity documents and to complete an application form after your passing. To certify a document the original needs to be sighted by a person such as a Justice of the Peace, Commissioner for taking Affidavits, a Notary Public or a Proclaimed Police Officer, and the document stamped as being a true copy. Super SA requires certified documents to have been certified within the last six months to be valid.

Should you wish to take this proactive approach, please send the below certified copies to Super SA at Super SA, GPO Box 48, Adelaide SA 5001.

- Legal marriage certificate issued by a Registrar of Births, Deaths and Marriages, AND
- Birth certificate of spouse.

Since receiving this notice the Association has sought clarification of the meaning of its second-last paragraph. This has confirmed that if the date of certification of a document is within the six months prior to the date of its receipt by Super SA, then that document is valid, and remains valid thereafter. The Association has also made inquiries about the ability of pension scheme members to check on the Super SA website that the lodgement of the documents is recorded and about arrangements that will apply after COVID-19 has passed. The responses obtained from Super SA were that

- the Super SA website does not currently have the functionality needed to view documents or check that they have been lodged. Now that SA Superannuants has raised this matter it will be kept in mind for future updates of the Super SA website
- In August the Super SA member centre was opened by appointment. Please call 8207 2094 to book a time to meet in person.

*Brenton Pain*

## **Day to Day with Super SA**

Coronavirus (COVID-19) has presented a fast-evolving and significant challenge to global economies and health systems alike. By the end of January, Australia had recorded its first case. In February, as global financial markets began to exhibit volatility, Super SA managers and their investment counterparts at Funds SA began



planning mitigation measures to support members through this uncertain time.

“We’ve needed to be flexible and adaptable,” said Caroline Patrick, Director of Brand and Member Engagement. “Management met daily to respond to the almost-daily changes happening around the world and within SA. “One of the first things we did was to train and redeploy our staff to services which members would need most. This included developing a market commentary, processing payments, implementing investment switches and answering calls to meet the expected increase in demand.”

During March, the Commonwealth Government announced various economic stimulus packages, collectively valued at \$259bn to "protect Australians' health, secure jobs and set the economy to bounce back" from the crisis. This included the 'COVID-19 Early Release of Superannuation Benefit Payment' which allowed

eligible people to draw \$10,000 down from their superannuation fund prior to 30 June 2020, and a further \$10,000 this financial year.

“As applications for funds from Super SA accounts are required to be made to Super SA and are not processed by the ATO, Super SA needed to ensure the business was ready to facilitate these applications and payments. 16% of staff were redeployed to ensure the 5519 applications received in round one could be paid in a timely manner.” “Our CEO, Dascia Bennett, released a video online explaining the process. And since 1 July, we’ve also begun processing the second round of applications, which has been extended and now closes on 31 December.”

The Australian Government also passed legislation to halve the minimum pension drawdown rates on account-based super pensions (such as Super SA’s Income Stream accounts) for part of last financial year and for the current financial year. Super SA communicated with Income Stream account holders and the CEO released another update video online. All relevant information was added to the Super SA website.

The World Health Organisation declared COVID-19 a global pandemic on 11 March and on 20 March, the Australian Government implemented border security measures and state governments closed all ‘non-essential’ services. “In order to comply with legislation, physical distancing measures and to ensure the safety of our staff and members, we closed our front counter centre on Pirie Street and implemented a ‘work from home policy’. This was in line with our ‘Business Continuity Plan’ which specified how we could successfully continue to communicate and process member queries and payments with a physically-distant workforce,” Caroline said.

To further ease pressure on members, Super SA temporarily relaxed the ‘Proof of Identity’ requirements and Caroline released a video online explaining the process. “We also requested members call us for urgent queries and email us for less urgent matters,” Caroline explained. “As we had already redeployed staff to the contact centre, we needed to adjust hours of operation to ensure we responded promptly to all queries, including emails and phone call backs. Since April, our contact centre team has been taking an average of 800 phone calls per day – which is double the usual amount.”

Through April, with new coronavirus cases reported daily, legislative updates and concern over financial markets continuing, Super SA created and released a new ‘COVID-19 specific’ microsite on their website as a ‘one stop shop’ for all information. By July Super SA had seen 12,330 members visit the new microsite, which shows it’s doing its job!

“During this time and continuing into June, Super SA has worked in tandem with Funds SA to publish timely market updates online. These updates provided factual yet reassuring messages to members about long-term fund performance.

“We’ve also started using text messages to communicate directly with members to make sure they don’t miss important information. For example, we are communicating daily with individual members about early release of their super and the progress of their queries and payments,” said Caroline.

“Our CEO has also issued general video updates online and has kept financial planners abreast of all changes with tailored updates, so they are best informed to advise our members.”

And despite the relaxing of physical distancing measures and restrictions in SA, safety of staff and members remains paramount at Super SA. The front counter centre on Pirie Street remains closed with plans to only open for appointments from late August, however as of mid-July all staff have returned to the office whilst practising strict hygiene and distancing measures. In person seminars have been put on hold, but Super SA has developed virtual presentations as an alternative.

“While we are pleased SA has started to reopen, we remain vigilant while our neighbours interstate suffer a second wave of the virus,” said Caroline. “We’ll continue to keep everyone informed about the status of financial markets and when we can welcome members back into our front counter centre. Until then though, ‘Stop the Spread. There’s no room for complacency’ - and please stay safe.”

### Comparing retirement incomes

This item compares features that the lifetime indexed pensions paid from CSS, PSS and South Australian public sector superannuation schemes have in common with each other. The purpose is to demonstrate that:

- a) people receiving these pensions have a lot in common as far as the taxation and means testing of their pensions and other income is concerned.
- b) in these two respects the pensions are quite different from the superannuation income of most other Australians.

**Taxation:** all three pensions have a substantial fraction which is untaxed-source income for taxation purposes. It is given this name because it is paid from a source that has not been subject to the tax payable on superannuation contributions and earnings before pension payments commence. Untaxed-source income is taxed, and assessed for the medicare levy, as normal income until age 60 and then a tax offset equal to 10% of the amount of untaxed-source income, up to \$10,000, can be claimed. Like most tax offsets this is a non-refundable offset which means that it can only reduce tax payable to zero. Any unused tax offset does not get refunded.

Any other taxable income, including age pension, that a CSS, PSS or Super SA pension recipient has, is added to their untaxed-source superannuation income and taxed at the marginal rate for the combined income.

Most superannuation pensions are paid from superannuation funds that have been subject to tax on contributions and earnings prior to the pension commencing. These are called taxed-source pensions. Prior to age 60 a taxed-source pension is taxed, and assessed for the medicare levy, as normal income with a non-refundable tax offset of 15% able to be claimed on it. After age 60 a taxed-source pension is tax-free up to \$100,000 p.a. and exempt from the medicare levy. 50% of income above \$100,000 p.a. is taxable income.

Non-superannuation income for people receiving taxed-source superannuation pensions is taxed as if it is the only income and the standard tax-free threshold of \$18,200 p.a. applies to it. Where the additional income is age pension no tax is likely to be paid on it.

The more favourable taxation and medicare levy treatment of taxed-source pensions, compared to untaxed-source, is usually justified by reference to the fact that those pensions have been depleted by tax paid before the pensions commence.

**Age pension means testing:** most taxed-source pensions are account-based pensions (allocated pensions) and these are assigned both an income value and an asset value. The asset value is simply

the account balance but the income value is usually quite different from, and smaller than, the actual pension amount. An age pension entitlement is calculated using both values and the smaller of the two amounts is paid. For many allocated pensions it is the account balance rather than the income amount that determines the age pension amount that is paid.

At least 90% of all defined benefit pensions, whether untaxed-source or taxed-source, is counted in the age pension income test. There is currently no asset value assigned to defined benefit pensions for age pension purposes but in 2017 they were assigned a value for the purpose of calculating something called 'the transfer balance cap amount'. If this exceeded a certain value, set initially at \$1.6 million, any excess amount had to be transferred to an account where it was subject to tax on earnings.

Defined benefit pensions were assigned a transfer balance cap amount of 16 times the annual pension value **regardless of the pension recipient's age**. If the pension exceeded \$100,000 p.a. a person could not also have an allocated pension. By setting this value for a defined benefit pension the Government has said that a person aged 85 and receiving a defined benefit pension of (say) \$60,000 p.a. that they cannot cash in is in the same financial position as an 85 year old drawing down considerably more than \$60,000 p.a. allocated pension from an account balance of \$960,000 that can be cashed in at any time. If this factor was used to assign an asset value to a defined benefit pension for age pension purposes it would extinguish age pension entitlement for a couple with a CSS, PSS or Super SA pension at about \$55,000 p.a. rather than at about \$82,000 p.a. as is the case now.

This is not to suggest that such a change is imminent or even likely. But the possibility does exist and may have to be dealt with. The good reason why defined benefit pensions are not assigned an asset value for age pension purposes is that, unlike allocated pensions, they cannot be cashed in except in closely prescribed circumstances, and they have no estate value.

A substantial problem for anyone representing the interests of CSS, PSS and Super SA pension recipients has always been the labelling of the pensions as 'more generous than the community standard'. In the years ahead this difficulty will be compounded by the fact that the number of CSS, PSS and Super SA pension recipients, as a

proportion of all retirees, is destined to decrease because all schemes have been closed to new members. The Association's position on the generosity of CSS, PSS and Super SA pensions is that they are 'Good, but not better than the SG' when all relevant retirement income matters are taken into account.

*Ray Hickman*

### Newsletter coordinator wanted

The job of Newsletter Coordinator is currently being done on an interim basis and a new coordinator will need to be in place by 2022.

The task requires familiarity with the word processing package 'Word'. It does not require the coordinator to write, or solicit, copy but he/she is free to do so. In this issue the copy provided by outside organisations was obtained by Committee members. The Coordinator's responsibility is to keep the Committee in touch with copy that has been received.

It is also the case that the position does not require regular attendance at Committee meetings. Our website manager, Peter Frick, does a great job from his home office and sits in on Committee meetings as he sees the need to. The Newsletter coordinator is able to do the same.

Once the Coordinator has the newsletter ready to go to members it is sent by e-mail to the printer and to Peter Frick, our website manager. The membership officer supplies the printer with the list of members who will receive the newsletter by post. The printer prepares the proof which the coordinator inspects and approves. The newsletter is then printed, folded, packed into addressed envelopes and lodged by the printer with Australia Post.

The membership officer also supplies Peter Frick with the list of members who have elected to download a digital copy from the website.

Any member interested in becoming newsletter coordinator should feel free to contact me by telephone (0488103086) or e-mail ([raywen@bigpond.net.au](mailto:raywen@bigpond.net.au)) to discuss the matter further.

*Ray Hickman*

## Joining & renewing

### Fees and How to Pay

Annual Member:  
\$15, partner = \$5

Life Members:  
Age under 60 = \$270  
60-65 = \$220  
66-70 = \$160  
Over 70 = \$130  
Partner = \$50

*Receipts will be sent for Life Memberships. Please include a stamped self-addressed envelope for others.*

#### a) Paying by cheque or money order

*Please send your postal payment to:*

**Membership Officer  
S.A. Superannuants  
P.O. Box 348  
Modbury North SA 5092**

**Email: [pmjahn@bigpond.com](mailto:pmjahn@bigpond.com)**

#### b) Bank transfers & personal deposits

*Please make sure that the payment is accompanied by your name and suburb, and Please notify the membership officer of its date and sufficient details to identify you as the payer:*

**Bank SA: BSB 105-900  
Account number: 950313840**

**Account name: SA Superannuants**

#### c) New members

*When paying by one of these methods, please send a membership application form to the Membership Officer so that your necessary details can be recorded*

*On the next page a form is provided for new members to join, and existing members to renew their annual membership, convert to a life membership, notify a change of address and supply email address*

## Member Details & Payments

### Existing Members

Our records show your details as:

Please indicate errors or changes  
.....  
.....

**New Members** Title..... Gender.....

First Name \_\_\_\_\_ Last Name \_\_\_\_\_

Postal Address \_\_\_\_\_  
\_\_\_\_\_

Year of Birth .....

Home phone ..... .....

Mobile phone .....

### New and Renewing Members

Payment Amount \$.....

Purpose of payment (tick relevant box)

- Renew Annual membership (\$15 p.a.)  
 Life membership (see scale, previous page)  
 Change Annual to Life (see previous page)  
 Partner Annual membership (\$5 p.a.)  
 Partner life membership (\$50)

Newsletter by **post**  **email**

**Email address**

.....@.....

Signature.....Date.....

## Source of a quote

Issue 58 of *The Superannuant* included on its page 1 the scroll below. This led to our member, Peter Nixon, asking about the source of the words quoted in the scroll.

Written on the back of a toilet door:

“The future is not a place we are going to, but one we are creating.

The paths to it are not found, but created.”

In these troubled times, let us remain safe and stay positive.

After a Google search I have responded to Peter’s inquiry as follows:

Dear Peter,

Thank you for showing an interest in the banner contents. I found them on a placemat in a collection in a backyard museum. I had to shorten the quote to fit the scroll. The full statement on the placemat was:

“Found by one of our retired politicians, written on the back of a toilet door: The future is not a place we are going to, but one we are creating. The paths to it are not found but created.”

Some research has now found that the words are those of the late *John H Scharr* (7/7/1928-26/12/2011) who was a Professor Emeritus at the University of California. His actual words were,

“The future is not some place we are going, but one we are creating. The paths are not to be found, but made. And the activity of making them changes both the maker and the destination.”

The last sentence in the scroll, “In these troubled times, let us remain safe and stay positive.” is my creation, as an attempt to add to its relevance to the present socio-political situation in which we find ourselves living now. Max Jahn