



(For Immediate Release)

MEDIA RELEASE

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BUDGET 2009: THE GOOD AND THE BAD FOR PENSIONS

The Superannuated Commonwealth Officers' Association (SCOA), welcomes the Government's budget decision to increase the Age Pension. Federal President, Dr Annette Barbetti said, "The increase clearly demonstrates that the Government recognises the struggle many senior Australians face in making ends meet." She said that SCOA fully supported the increase, and had recommended it in its submission to the Harmer pension review.

The news, however, remains bad for retirees relying on Commonwealth superannuation pensions. The budget has not provided any improvement to their pensions, and with recent negative movement in the CPI for the six months to 31 March 2009, they will receive no indexation increase to their pensions in July.

Dr Barbetti is disappointed that former government employees are still being denied a solution to the erosion of their pensions. She said the Government is still failing to honour the expectations it created in opposition during the 2007 Federal election campaign. At that time, Labor MPs criticised the Howard Government for refusing to adopt the Senate Inquiry recommendations to improve the indexation of former government employees, and created expectations for change. But in government, they have failed to deliver a fair go to more than 300,000 seniors, whose living standards are falling, because CPI is not keeping pace with costs of living.

The CPI, as a means for indexation, was discarded eleven years ago for most other government funded pensions.

Ends.

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