



(For Immediate Release)

MEDIA RELEASE

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CPI Inadequate for All Commonwealth Pensions

Last night's announcement by the Prime Minister regarding a revised indexation method for disabled veteran's pensions highlights the inadequacy of the Consumer Price Index (CPI) as a single method for pension indexation.

Federal President of SCOA (Superannuated Commonwealth Officers' Association), Mr Ewan Hazell, welcomed the announcement, saying 'The Government is admitting that CPI indexation alone does not maintain living standards for recipients of Commonwealth pensions.'

Mr Hazell said, 'Both major political parties have now acknowledged that the CPI indexing does not keep pace with changes in the standard of living.'

In his press release yesterday, Minister for Veterans' Affairs, The Hon Bruce Billson MP described the move to index DVA pensions with reference to both the Consumer Price Index and Male Total Average Weekly Earnings (MTAWE) as a 'significant indexation measure'. This supports the relative injustice of indexing by the CPI alone.

SCOA reminds political leaders that retired Military personnel, Commonwealth Public Servants, Federal Police and Customs personnel still have their pensions indexed by the CPI. They too should be afforded the benefit of indexation at the higher of MTAWE and CPI, as was recommended by two separate Senate Committee Inquiries.

Mr Hazell said that the improved pension arrangement for disabled veterans was welcome, but long overdue. He applauds the five percent increase to DVA pensions, as it will be welcomed by some SCOA members who are not only former Commonwealth Public Servants but who also are veterans.

Ends.

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