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MEDIA RELEASE

RUDD'S FAIRNESS FARCE

Dr Annette Barbetti, Federal President of the Superannuated Commonwealth Officers' Association, (SCOA) said that today's announcement by the Government to deny its former employees and former members of the Defence Force fair pension indexation was unjust and did not match the expectations created by Mr Rudd during the 2007 election campaign.

The Government's decision comes from the findings of its sponsored review of Commonwealth superannuation pension indexation last year by Mr Trevor Matthews, a private actuary. Those affected will be outraged, Dr Barbetti said, when they learn that Government MPs making the decision will have their pensions adjusted by increases in Parliamentary Salaries and Allowances while denying their former employees fair, wage-based pension indexation. The CPI as an indexation tool was rightly discarded more than a decade ago for the Age Pension and most other Government pensions by the former Government with Labor's full support.

Pensions of Commonwealth superannuants average less than the married rate of Age Pension. Due to the continued use of CPI indexation, recipients of those pensions have had their standard of living significantly eroded. They received no increases in July 2007 and July this year due to so called negative movements in the CPI. Other Government pensioners rightly received increases, she said.

Dr Barbetti said that during the 2007 election campaign Mr Rudd and many other Labor MPs criticised the Coalition for its failure to implement the findings of three Senate Inquires, all recommending fairer indexation. This had created a great expectation that, if it won office, Labor would put an end to the discriminatory treatment of its former employees. Mr Rudd's promises of a fair go for all Australians prior to the last election have not been honoured and those affected will no doubt remember those broken promises, Dr Barbetti said.

The more than 300,000 senior Australians affected by this most unjust decision have faithfully served successive Governments or as Defence Force members, proudly served Australia and what it stands for, she said. They are not seeking special or favoured treatment, only the fair go Mr Rudd promised prior to the election.

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