

## SUPERANNUATION INQUIRY SUBMISSION

Having worked many years for the federal Government, securing my retirement was always a priority.

I always contributed the maximum possible amount to my superannuation and carried out detailed research at the time I was offered a choice between the CSS and the PSS. In about 1995, I opted for the PSS as it offered me a better pension.

Having been retired since early 2004, I have been disappointed to note that the PSS pension, having been set at a fixed percentage of salary at the time of retirement, has not grown at the same rate as the relevant salary category has increased. I believe that when the COL Index basis was reset by the Howard Government in the late 1990s, it no longer truly reflected changes in the real cost of living.

In the late 1990s I received an modest inheritance that I decided to invest in bank managed funds. After being subjected to some pressure to invest in some commercial real estate funds that did not look good to me, I discovered the then new option of Self Managed Superannuation.

On investigating the SMSF concept, I concluded that this option would, on retirement, give me a superannuation income stream that would leave me forever free from any dependence on the Government Old Age Pension.

I retired on that basis in 2004.

When the Government recently changed the rules governing SMSFs, I was most disturbed to find that these applied to all existing SMSFs rather than only to those not yet in pension phase.

The problem is that many people, like myself, that had planned their future on the basis of the applicable SMSF legislation at the time of their retirement, now find that the ground rules have been changed, effectively retrospectively. This strikes me as unfair.