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Title:
Radio broadcast - superannuation for civil servants

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Good evening.

Last week the Public Service Association protested at the present position in Superannuation for civil servants in South Australia - and well they might. We have a new class of poor in this State - the superannuated civil servants, and for many of them the reward of long years of work for the community, of thrift and care, has proved to be a period of retirement in penury or in circumstances straitened far beyond their worst nightmares.

This is the lot of people who sent in to the Public Service encouraged by promises of security through Superannuation. They took the maximum number of units for superannuation they were allowed to take in the positions they occupied, anticipating that when they retired they would be able to lead a quiet life of modest comfort. But inflation robbed their pension units of their purchasing power, so that now they find the pension for which they had contracted will buy nothing like what it would have bought in the days when they arranged for the subscription to the pension.

Many superannuated civil servants are prevented from getting the age pension because of their superannuation and savings, and are left in a position worse than some age pensioners.

What is worse, the existing position in South Australia for current subscribers to the pension is worse than in other States. The Public Service Association rightly claims that South Australian public servants are in many instances paying hundreds of pounds more for their pensions than members of other State public services and the Commonwealth Public Service. They take as an example that £100 of pension units at the age of 30 costs a S.A. public servant £8.10.2 per annum - more than the Commonwealth or other States are charging. The comparable figures are, Tasmania £8.5.0; Queensland £7.14.2; W.A. £6.12.3; Vic. £6.7.1 and Commonwealth £6.4.9.

The Government's reply is that the Actuary has reported that the present subscription rates are needed to maintain the fund solvent as against the possible claims on it. The Fund has been increasing in value yearly by amounts from £900,000 to £1,000,000, and is by no means insolvent. Surely the case is fair that if inflation takes place the purchasing power of the pension ought to be maintained by the community, and that as far as subscription votes are concerned, our civil servants ought to be at least in a comparable position with the average of the other States and the Commonwealth.

But the present S.A. Government has repeatedly refused to carry out demands to put both these principles into effect. Inflation has been allowed to rob superannuation of its purchasing power, and no fair adjustments to pension subscription rates have been made.

The Opposition is in an unfortunate position on this matter since it is prevented from introducing a measure into Parliament to give effect to its views. Under our constitution only the Government can introduce measures which directly provide for the spending of public monies.

The only way in which the Labor Party can air its views in the House is to propose a motion that in the view of the House the basis of superannuation payments and subscriptions should be changed.

In 1958 the A.L.P. moved such a motion, and the Premier induced us to withdraw it by promising that he would introduce a measure himself which would give some relief. When, however, that measure was introduced, we found it only contained three things:-

- (1) Some very slight increase in pension to widows and the first children of superannuated civil servants. When I tell you that as a result of the amendment, a dependent child would receive the princely sum of £26 a year, you will see how inadequate that was.

- (2) All pensions payable since prior to January 1949 were increased - but by less than would maintain their purchasing power.
- (3) Additional pension units could be subscribed for - but by those in the topmost ranks of the public service. The men who needed most relief, the people on the middle and lower income scales - got no relief at all. Those who had retired since 1949, though their pensions in many cases had depreciated in value through inflation, got no relief either.

I think it is fair to say that the civil services on this matter are asking for no more than justice. They should not receive less, and if this involves some slightly increased expenditure on the part of the community - that is not a matter of generosity - it is a matter of duty.

Goodnight.

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This is the lot of people who sent in to the Public Service encouraged by promises of security through Superannuation. They took the maximum number of units for superannuation they were allowed to take in the positions they occupied, anticipating that when they retired they would be able to lead a quiet life of modest comfort. But inflation robbed their pension units of their purchasing power, so that now they find the pension for which they had contracted will buy nothing like what it would have bought in the days when they arranged for the subscription to the pension.

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