

From: Neville Carr
Sent: Thursday, 10 March 2005 4:23 PM
To: DB Pension Review
Subject: Why Fix it if it ain't broke?

The Manager
Superannuation Review of pensions from small SMSF's

Dear Madam

I endorse the points made in the initial submissions no's 008,9,11,14,23,24,30 and 31 except where the points made in those submissions may be inconsistent with the undermentioned issues:

- I wish to work until I die and not "have" to take my superannuation entitlement;
- The SIS Act mandates my taking my superannuation @ 75yo which I don't wish to do;
- Like David Lethbridge my family has longevity on all sides..eg a near relative died @ 100yo still working, and I am discouraged by the SMSF's proposed changes from doing likewise;
- the small SMSF changes contradict the PM and Treasurer's expressed views that people remain in work for as long as they can or wish;
- The key issues (4) in the review lack supportive evidence;
- Keeping super and small SMSF's simple should be the aim presently one needs the skills of an actuary plus the patience of Job and the prescience of a soothsayer to generate cash flows from all but the largest funded SMSF - this should not be;
- There is a real risk that the legislation applicable to SMSF's and their trustees - usually Mum and Dad - will soon assume ITAA (1936) proportions if your review panel persists with change;
- By definition small SMSF's were established to minimise overheads and maximise the capacity to pay the beneficiaries a lifetime income, enabling independence from
- government support - the review should entrench this aim above all else; If I am forced to take a pension from my small SMSF I want to be independent of all government agencies for support for as long as I live, not for some allotted span decided by an actuary who has no knowledge of my life expectancy nor of my income needs;
- Finally the actuarial figures associated with small SMSF's are cause for concern in light of the findings by the High Court [in *Austin v The Commonwealth of Australia*] which accepted that no two actuarial calculations would agree;
- To tie small SMSF's pension determinations to an anonymous actuarial calculation which is unable to be verified should properly occupy the members of the review panel's minds.

I commend these views to the individual members of the review panel as a basis for their deliberation and final decision

I would appreciate acknowledgement of this submission and advice that it has been carefully considered by each member of the panel.

Kind regards

N Carr