

The Hon Bill Shorten
Leader of the Opposition
Parliament House
Canberra ACT 2600

Dear Mr Shorten

I receive a Commonwealth superannuation pension which is indexed by the CPI. The CPI has not been a measure of actual shop prices for about twenty years and as a result, my standard of living is constantly falling. The CPI no longer measures actual prices because it is adjusted, mostly downwards, for product improvements. That makes the CPI an inappropriate and unfair indexation tool. The accompanying graph clearly demonstrates how discriminately I am being treated.

In 1998, in recognition of the CPI's inappropriateness as an indexation tool, the Coalition Government, supported by Labor, rightly dropped the CPI as the sole means of indexing the Age Pension and most other Government funded pensions. Since then, adjustments to those pensions have been linked to increases in wages.

I am aware that the Coalition intends to revert to CPI indexation of the Age Pension from 2017 and I ask that Labor strongly oppose that most unfair decision.

Since 2001, three Senate inquiries have unanimously recommended that a different method of indexing my superannuation pension be implemented. Yet when in Government, Labor consistently opposed fair indexation of my pension, accepting the recommendations of a single actuary, (Matthews) against the collective wisdom of 23 Senators involved in those three separate Senate Inquiries mentioned above.

Labor claims that its policy platform is founded in the principle of a fair go, a fair go for all Australians and yet when in Government it refused to fairly index my pension. My standard of living has slipped considerably because the CPI doesn't enable my pension to keep pace with actual shop prices. I am being treated like a second class Australian.

I ask that you raise this matter with the Government and urge them to index my pension fairly, so that it keeps pace with real shop prices. It's my understanding that this can be done by using some of the \$101 billion dollars in the Future Fund, without affecting the Government's quest to bring the Budget back to surplus and without unduly affecting the Future Fund's capacity to do what it was established to do, i.e. pay for all Commonwealth superannuation pensions from 2020.

I am not asking for special treatment. All I want is an index that reflects the actual prices I have to pay for goods and services. Surely that's not too much to ask? Would you please advise me of Labor's position on this matter and whether you will take up the matter with the Government?

I look forward to your response.