

THE VOICE of Pensioners and Superannuants

7 July 2021

Centrelink: Give us information pensioners, or else!



CENTRELINK likes people to go online if they need to report something, so for Centrelink to direct pensioners to call them on a special number might be called good news. Except it isn't.

Late last year, CPSA started receiving complaints from pensioners about a letter or text message they received from Centrelink telling them to report their income every fortnight.

From December 2020, new income reporting arrangements apply to all social security payments. These arrangements are designed mainly for employment income, but also apply to income like rent from an investment property, foreign pensions and any other income that is not deemed income.

Previously, pensioners didn't need to report fortnightly if their non-deemed income was steady. Now they do.

Centrelink being Centrelink, it can't be polite about it. It demands and threatens pensioners their pension will be stopped if they don't report on time. Every fortnight. If you forget, your next pension payment doesn't arrive until you have made your report.

It's been a shock to pensioners.

One pensioner who contacted CPSA described it thus:

As directed, I called them on the Friday and reported my income. During this conversation I was told I had to continue to report my income fortnightly. I called in again the next Friday by mistake, then missed calling on the next Friday when I should have as I had in mind two weeks from my last call. When I logged into my bank account over the weekend to pay a bill, I noted my pension payment had not been made. My wife also checked her account and confirmed she also had not received her pension.

Reporting can also be done online, but the same threat of withholding pension payments applies.

CPSA received similar reports from pensioners with superannuation pensions. Details had to be reported only once, not fortnightly, but again this requirement was framed as a demand and backed-up by a threat of stopping pension payments.

One pensioner reported that they received a letter two days before Christmas, saying: If you do not give us this information by 6 January 2021, your payment may be stopped

Wouldn't you think that Centrelink had learnt some manners after the Robodebt debacle?

They clearly haven't.

The future of your super starts on 1 November



The *Your Future Your Super* bill was passed into law on 22 June meaning that there will be changes to the superannuation industry.

From 1 November 2021, Australians with existing super accounts will be ‘stapled’ to their current super fund. The new stapling feature will help prevent people joining multiple super funds when they start a new job which will reduce the higher amount people pay in fees when they have multiple super accounts.

Unfortunately, the stapling won’t address people who currently have multiple super accounts and won’t do people any favours if they are stapled to a poor performing fund.

On the topic of performance, the *Your Future Your Super* reforms aim to address the problem of underperforming funds by having the regulator conduct annual objective performance tests. From 1 July, funds that fail the performance test must inform their members of its underperformance by 1 October and provide members with the tools necessary to switch funds.

However, the onus is still on individuals to firstly understand what it means that their fund is underperforming and will leave it up to them to initiate the switching of super funds.

Performance testing is a good idea, but it will only apply to default super funds, that is, funds chosen by employers for their employees. Everything else will be

excluded from performance testing despite a Productivity Commission explicitly suggesting these products should be performance tested.

Also from 1 July, the Superannuation Guarantee (SG), which is the minimum percentage of an employee's salary an employer must pay to their workers' super funds, will be increased from 9.5 per cent to 10 per cent. The SG is legislated to rise by 0.5 per cent every year for the next four years until reaching 12 per cent on 1 July 2025.

On another note, before-tax after-tax super contribution caps will be indexed on 1 July. The before-tax contributions cap for 2021-22 will increase from \$25,000 to \$27,500.

The cap on after-tax contributions will increase from \$100,000 to \$110,000.

The amount of super savings that can be transferred into a retirement pension will also increase from \$1.6 million to \$1.7 million.

The unhealthy outlook of NSW Health on regional, rural and remote health



Dr Aniello Iannuzzi is chairman of the Australian Doctors Federation, deputy mayor of Warrumbungle Shire Council and a clinical associate professor at the University of Sydney and University of New England. He has been a visiting medical officer at Coonabarabran District Hospital since 1997.

He blames NSW Health's lack of proper governance for the poor condition regional, country and remote health services are in, not just lack of funding.

Dr Iannuzzi has given evidence to the current NSW Parliamentary Inquiry into Regional, Rural and Remote Health Services. He testified that the principal problem is one of governance. Until that is cleaned up, he says, nothing will improve.

When a patient or clinician raises a concern, makes a suggestion or files a complaint, NSW Health senior management usually ignores or denies there is an issue. It's a case of a bureaucracy that predominantly protects itself to the detriment of the service it is supposed and expected to provide.

Dr Iannuzzi says that we also need more funding, more beds, better medicine and equipment and more staff.

But without better governance more money would still be poorly spent, says Dr Iannuzzi. The equipment would still be misdirected, and clinicians would still be unwilling to work and give their best.

While we always need to recruit more health workers to the bush, Dr Iannuzzi says, there are plenty in the bush who have made a conscious decision not to work for NSW Health.

NSW Health seems to be in denial about the cause of the reluctance of many health professionals to work in the bush. Dr Iannuzzi cites the example of senior Local Health District management visiting Dunedoo earlier this year for a community forum organised by the Warrumbungle Shire Council. There were suggestions the Dunedoo community should be more welcoming to health workers.

It was implied, it seemed, that the shortage of health workers was the community's fault. It was, Dr Iannuzzi says, nothing short of insulting and outrageous.