

General Manager
Superannuation, Retirement and Savings Division
The Treasury
Langdon Crescent
Parkes ACT 2600.
simplersuper@treasury.gov.au

Monday May 22nd 2006.

Dear Sir,

A Plan to Simplify and Streamline Superannuation.

I ask that you consider the conversion of existing lifetime pensions from Self Managed Super Funds (SMSF's) into the proposed new allocated pensions announced by the Treasurer in his 06/07 budget speech.

From the information I have been able to obtain on the detail of the proposal, the new allocated pensions enable self funded retirees to move previously quarantined amounts of capital or assets into a new account based pension. I believe \$13 billion is the amount quarantined for such complying pensions nationwide at present. The capital being able to be taken in a pension form or in lump sums as our life needs demand. Retirement housing, car upgrade, hospital fees for failing health, etc are just a few stressful financial decisions we could make with ease in the future. I would welcome this simpler superannuation regulation.

To be able to roll back complying pensions and roll out new allocated pensions within my SMSF would assist Centrelink staff having less complex situations to assess when I need to notify them of a change of circumstance, usually yearly, in relation to the Commonwealth Aged Pension. I genuinely feel sorry for those hard working officers who are struggling with an archaic social welfare system made unsuitable by layer upon layer of superannuation regulations.

As well meaning as the changes in the past have been they have done nothing to simplify or streamline a retiree's application for Commonwealth Aged Pensions.

Your department has the opportunity to cut away the complexity of the system reducing the workload of Centrelink, ATO and other Commonwealth agencies. This would be a huge saving of effort and money.

Allow the conversion of lifetime pensions back into superannuation and to be taken out in the new form of an allocated pensions or lump sums with no tax or regulatory penalty is a huge advance in the eyes of a self funded retiree.

Yours faithfully

Robert Ross Bray