

Ms Gabrielle Woods  
Inquiry Secretary  
Parliament House  
Hobart TAS 7000

### **RBF UNFUNDED LIABILITY**

I refer to the above Legislative Council Inquiry and submit the following on behalf of Unions Tasmania

The RBF Contributory Scheme is a superannuation scheme which provides defined benefits to members.

The scheme has been closed to new employees since 1999.

For those employees who are existing members and who are still employed they are required to make contributions and therefore have an expectation that those contractual arrangements to provide a Defined Benefit will not be altered.

The government, as the employer, is required to fund the balance at a time to ensure the defined benefits are paid, whether as a lump sum or as a pension.

While it is noted that the greater proportion of the accrued benefit is unfunded and only partially backed by superannuation plan assets, the Government has chosen not to fully fund their obligation.

The Government are well aware of their liability and need to continue to manage that liability within their budgetary mechanisms.

Unions Tasmania will not support any changes to the current entitlements that Defined Benefit members have.

If necessary Unions Tasmania would be prepared to appear before the Enquiry.

Yours Sincerely



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**Secretary**

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**21<sup>st</sup> April 2016**