



22 April 2016

Ms Gabrielle Woods  
Inquiry Secretary  
Parliament House  
**HOBART TAS 7000**

Our Ref: OTH 05 0017  
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Dear Gabrielle,

**Re: Sub-Committee Inquiry into RBF Unfunded Liability**

I refer to the above Legislative Council Inquiry and submit the following on behalf of the Australian Nursing and Midwifery Federation (Tasmanian Branch) (ANMF).

The ANMF represents 7,500 nurses, midwives and care staff, many employed in the state service of which a majority are members of RBF including members of the RBF Defined Benefits Scheme and therefore we have a significant interest in the matter.

It is clear progressive Governments have not adequately resourced the liability attached to public sector employee's defined benefit arising from the RBF Contributory Scheme. The unfunded nature of the Contributory Scheme means that future generations of Tasmanians are paying for the services provided to past generations - an intergenerational equity issue. Even fully funded schemes are now recognising that low investment returns and demographics will severely challenge the capacity to 'meet the promise'. The State's promise with the Contributory Scheme can only get worse as members live longer than expected with the Tasmanian Government's annual superannuation expense now being the fourth largest item in the budget and projected to increase. However, employees should not be disadvantaged by successful Government's poor funding strategies.

The superannuation entitlement is part of an employee's contracted conditions of service and must be protected. There are numerous examples of the outcomes where Governments have changed policy by not honouring the superannuation obligations resulting in disputation. This is not in the public interest.


Contributory members, as with all superannuation fund members, plan their affairs and expectations based on their contractually agreed entitlements. These employees joined a superannuation fund that placed certain obligations on them for which, in return, they were guaranteed a certain outcome. It is not the Scheme's individual members who

**AUSTRALIAN NURSING AND MIDWIFERY FEDERATION (Tasmanian Branch)**

are responsible for the decisions made by the Government in regards to the funding of the liability and yet it is the individual members' rights and entitlements that will be impacted.

ANMF, on behalf of our public sector members, support the Inquiry and the objective to seek clarity of the financial strategy to fund the liability for our members.

Yours sincerely



**Neroli Ellis**  
Branch Secretary