

# Retirement Income for Australians: An Annotated Bibliography

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## Retirement Income for Australians: An Annotated Bibliography

edited by  
Diana Encel



THE UNIVERSITY OF  
NEW SOUTH WALES

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# Foreword

The provision and finance of adequate and equitable retirement incomes for Australians has been a subject of discussion and research since colonial times. From the outset around a century ago, Australia (along with New Zealand) almost alone among countries who had policies on the issues involved, adopted an old age pension which was universal and non-contributory, regulated only by financial means testing. Since that time, there have been many changes to policy governing the provision of income for elderly people, but the underlying concerns have remained: that income for older Australians should be adequate and that the cost of its provision should not impose too great a burden on either the government or on individuals and their families.

Although interest in the issue of retirement incomes originated early in our history, the policies of the present government have brought it into greater prominence. These in turn, reflect concern that at the beginning of the 1980s Australian retirement incomes policies were not entirely appropriate for dealing with the then prevailing circumstances and the projected increase in the number of older Australians over the coming decades. The introduction of the Superannuation Guarantee Charge (the SGC) has stimulated research and argument into areas of self-provision of retirement income and the review of the Pensions' Income and Assets Tests has highlighted the role of government provision. Indeed, as we draw a line at the end of 1995, we are already aware of material in preparation for publication which will be too late for inclusion here.

This annotated bibliography draws together work relating to these issues and identifies the themes around which argument has centred. The issues themselves are of interest to policy makers, in both social and economic areas, and to various community groups who are concerned with the well-being of this section of our population.

Along with the earlier reports released in this series, we hope that this too proves to be a useful and valuable resource for those with an interest in research and policy in the area covered.

Peter Saunders  
Director

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## Acknowledgements

Many people have been helpful in the preparation of this bibliography. Lynn Sitsky in the Centre library has drawn my attention to many items too recent to be found through regular searches. Sheila Shaver made useful suggestions about the choice of key-words which classify the entries in this volume. Lynda Pawley carried out all the word-processing and lay-out involved in the publication, with patience and with forbearance as I introduced new items towards the end of the production period. I thank them all.



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## Introduction

This bibliography is concerned with a number of aspects covering the provision of retirement income in Australia, including issues related to pensions, superannuation and private income. It covers works published in Australia or about the Australian situation, mainly since 1980. However, some earlier works are included, because of their seminal nature. These relate mainly to the work of the National Superannuation Committee of Inquiry which sat in the mid-seventies and produced two major reports which have influenced discussion of retirement income over the following years. Various Senate committees have also conducted inquiries (the Senate Standing Committee on Social Welfare, the Senate Standing Committee on Community Affairs and then the Senate Select Committee on Superannuation) only some of whose reports are included in the bibliography. The latter committee was established in 1991, reappointed in 1993. In June 1993 it published its seventh report, *Super Inquiry Overview* which outlines the themes identified in the inquiry to date. It also describes and analyses the strategies and procedures used in addressing the terms of reference, discusses the rise of interest in the subject and lists key developments. It lists the reports and papers presented by the committee to the Senate during its lifetime and names some other inquiries which were set up in the meantime.

The many aspects of the subject which have been broadly covered in the entries are defined in more detail in the Keyword Index which follows the body of the bibliography. Areas not comprehensively covered include issues concerned with the management of superannuation funds and with the effects of superannuation and other retirement savings on the level of national savings.

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## Other Sources

This bibliography is not exhaustive and readers are directed to a number of other sources of published material.

- The *Australian Tax Review* has included, since 1989, regular contributions on 'Recent developments in superannuation', by Mark Cerché, their superannuation editor, mainly on matters affecting the taxation of superannuation and superannuation funds.
  - *Taxation in Australia* includes regular sections on what has been said, or ruled, by the Commissioner of Taxation, the Treasurer or other relevant Minister, on taxation matters in general, including taxation of superannuation.
  - The journal *Superfunds*, a monthly review of superannuation in Australia, is concerned with fund management and changes in law and regulations as it affects funds, with occasional articles of more general application.
  - The journals *Corporate Management*, *Personal Investment*, *Chartered Accountant in Australia*, *Australian Accountant*, *Professional Administrator*, and *Charter*, all include occasional articles on superannuation. In most cases they have not been included in this bibliography because they are too short, or because they are directed towards fund management or investment choices rather than to the role of superannuation in providing retirement income.
  - The Australian Tax Office has issued a number of publications to help employers and employees understand the taxation treatment of superannuation and other termination payments.
  - The College of Law, Continuing Legal Education, the Business Law Education Centre and the Faculty of Law at the University of New South Wales have all published material about legal provisions which relate to superannuation.
  - The Council on the Ageing (Australia) as part of their work concerned with the needs of older Australians, has prepared submissions to a number of enquiries. These include submissions to the Caucus Committee on Pension Age Equalisation Advisory Group; the Strategic Review of the Income and Assets Tests (conducted by Ageing Agendas, see Barber, Moon and Doolan, 1994) and the Senate Standing Committee on Community Affairs on the matter of pension age; this list is not exhaustive.
  - The Australian Pensioners' and Superannuants Federation has also prepared submissions and reports for a number of enquiries; the journal *Bottom Line* also carries articles on aspects of the financial situation of members, some of which are cited in this bibliography.
  - There is a Superannuation Economics Research Group in the School of Economics at the University of New South Wales which produces a Research Paper Series, several of which, though not all are cited here. Similarly, the
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Centre for Actuarial Studies in the Department of Economics at Melbourne University has produced a number of papers of interest.

- The Australian Bureau of Statistics (ABS) collects and publishes data on various aspects of retirement and retirement income. Although some of this material has been cited here, readers are advised to consult the ABS Catalogue of Publications for further material.
  - Various government departments, notably the Department of Social Security, publish statistical data in their Annual Reports, as well as policy analysis and discussion in occasional publications. The Treasury has a Retirement Income Modelling Task Force some (though not all) of whose publications are cited here.
  - The Office of the Economic Policy Advisory Council (EPAC) has shown a continuing interest in the subject.
  - The Australian Budget and Related Papers for each year provide information about changes in policy and administration of retirement income issues.
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# Organisation

This bibliography cites whole books, parts or chapters of books, papers in series and journal articles. No newspaper material or items of one page or less has been included nor has unpublished material, such as theses or unpublished conference papers. All the items have been sighted.

Each item has been annotated to give an indication of the scope and nature of the work. The annotations are descriptive only and no attempt has been made to review or evaluate the contents. Wherever possible the author's or publisher's abstract has been used (indicated by quotation marks) and in the other cases an attempt has been made to use the language of the author or authors concerned.

All annotations are arranged alphabetically by author, or, where applicable, corporate body. Where no author is known, the item is entered by title, also alphabetically.

The name is followed by the year of publication. When more than one work by the same author is cited, the works are arranged chronologically from the earliest to the most recent, and if there are several in the same year, they are then ordered alphabetically by title. Authors as single authors appear first, followed by that author in joint authorship with others.

The title of the book or name of the journal appears in italics.

Where the item appears in a journal the volume number is given followed by the number within that volume in brackets so that volume 3, number 2 appears as 3(2).

The last numbers in the citations indicate the length of the item (x pp. for a complete publication or x-y for part of a book or journal).

Each annotation is given a record number which appears beside the citation.

Each annotation is followed by one or more keywords which indicate the subject matter covered in the item. An index lists each keyword which is followed by a group of record numbers indicating which annotations have been placed within that keyword category. The keywords are listed in alphabetical order.

There is an alphabetical listing of authors, separate from the annotation, which includes joint authors. The number(s) following the names are the record numbers of the annotations (not page numbers).

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- 1 Aaron, Henry J. (1984), 'Social welfare in Australia', in Richard E. Caves and Lawrence B. Krause, eds, *The Australian Economy: A View from the North*, George Allen and Unwin, Australia, 349-90.

This chapter in a book written by American economists 'to improve American understanding of the economic problems faced by Australia', provides a description of social welfare, including retirement benefits. It describes pensions and their tax treatment and superannuation in relation to coverage and taxation. It also examines the policy issues and suggests possible reforms.

#### COVERAGE, PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 2 Advisory Committee on Prices and Incomes (1986), *Retirement Incomes*, AGPS, Canberra, 42pp.

Government expenditure on age pensions remains high despite the re-introduction of an income test for pensioners over 70 years of age (1983) and the introduction of an assets test (1985). Expenditure is expected to rise partly because of a trend towards early retirement. There are thus implications for taxation policy. There is increased interest in occupational superannuation schemes, but there is uneven coverage of schemes and benefits currently prevailing. This report deals with current retirement income arrangements: pensions and occupational superannuation, with respect to distribution, benefits, standards and taxation treatment. It looks at recent government initiatives including measures to reduce double dipping and 'to improve the level and equity of age pension arrangements'. It also examines the Government/ACTU agreement that 'a 3 per cent wage equivalent increase be granted in the form of contributions to occupational superannuation funds to provide new or improved benefits'. The guidelines for implementation of this and draft superannuation standards are discussed.

#### DOUBLE DIPPING, MEANS TEST, PENSIONS, SUPERANNUATION, SGC, TAXATION

- 3 Allen, D.E. (1993), 'What's so super about super?' *Economic Papers*, 12(3), September, 44-62.

The paper includes a brief history of the provision of superannuation in Australia, describes the current provision of superannuation, discusses the reasons for the government's increased concern with retirement incomes and the economic situation of the aged. It describes the recent changes in superannuation provision and the interaction of taxation with superannuation. Other topics discussed are the market for savings, superannuation scheme investments, competition and concentration in the superannuation industry, the regulation of superannuation, industrial relations issues and disclosure of information about performance, fee structures and commissions. The author makes some suggestions for improvement in the system, including spreading the favoured taxation treatment of superannuation to other forms

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of saving and broadening the type of available superannuation vehicles (which would, among other outcomes, make it easier for women, part-time and casual workers and the self-employed to have access to superannuation). 'In summary, there are many good points in favour of the Government's superannuation policy, yet much remains to be achieved. One major drawback is that super is still more super for the relatively privileged than for the under-privileged.'

#### COVERAGE, INVESTMENT, POLICY, SUPERANNUATION, TAXATION

- 4 Anstie, Roslyn (1989), 'Retirement incomes policy' in John Freebairn, Michael Porter and Cliff Walsh, eds, *Savings and Productivity: Incentives for the 1990s*, Allen and Unwin in association with National Priorities Project, Sydney, 161-82.

'With 78 per cent of the relevant population now receiving an aged pension, government is providing far more than a safety net for the aged poor: rather, the pension has become a full-blooded example of "churning" and middle-class welfare. By not saving for retirement, the middle class can enjoy higher living standards during their working lives, while depending on government support in old age. The failure of savings and investment to grow adequately means we are then less able to support the genuinely needy. To the extent we are forced to raise taxes to fund pensions, this reduces effort and incentives to work, and lowers the capacity of the working age generation to save for retirement.' The chapter discusses the deterrents and disincentives to saving for retirement: 'the existence of the aged pension and benefits, the distortionary tax against savings and in favour of current consumption, the likelihood of being caught in a poverty trap in retirement, the uncertainty and variability of effective marginal tax rates on private income in retirement, and the severe assets test'.

The author suggests areas for policy reforms: 'the pre-tax rate of return on savings; the post-tax rate of return; and the poverty trap associated with the interaction of the taxation and aged-pension schemes'. She looks at the changes to the system announced by the government and concludes that they 'offer only modest alleviation of the severity of marginal tax rates and associated poverty traps which encourage the dependence on pensions. They fail totally to address the really fundamental problems of disincentives and uncertainty created under current arrangements by the effects of inflation'. She also argues that while there are some incentives to unlock assets held in the form of a home, there are also incentives to keep a greater share of assets in the form of the home. The reforms proposed, involving changing the tax system (proposed in other chapters of the book) 'will alter incentives, and lead to greater reliance on private savings over the working life for retirement income needs'.

#### HOUSING, PENSIONS, POLICY, SAVINGS, TAXATION

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- 5 Anstie, Ros and John W. Freebairn (1989), *Retirement Incomes Policy*, Discussion Paper No. 142, Centre of Policy Studies, Monash University, 48pp.

'Retirement income is the subject of growing debate, stemming mainly from the demographic changes that Australia's population will undergo in the next few decades... The feeling is that now is the time to take action to improve retirement income arrangements. The basic underlying objective of a retirement incomes policy is to improve the well-being of the retired population while not placing unacceptable burdens on the existing workforce'. Retirement incomes policy needs to be consistent with general economic policies promoting high economic growth. 'Retirement incomes policy can in fact be a key part of the reforms necessary to promote high economic growth by promoting savings and by lowering the cost of government assistance to the aged, subject to the constraint that adequate income support be provided for those who cannot adequately provide for themselves'. The authors argue that current retirement income arrangements do not act in this way. 'The major disincentives to both the self-provision of retirement incomes and to economic growth are the double taxation of savings, the further disincentive to savings in times of inflation, the existence of the indexed government age pension and the "poverty trap" problem associated with the means testing of the pension'.

The paper proposes an income tax system that exempts savings from taxation, similar to the system now applying to owner occupied housing, arguing that 'a neutral system of taxation of different savings and investment options would promote economic growth'. 'Interaction of the taxation system and means testing of the government pension provide little or no incentive for low and middle income persons to save for their own retirement income. Inflation makes effective tax rates on savings extremely high and often well in excess of 100 per cent. It is proposed that the income test for pension eligibility be based on real income rather than nominal income; that the assets test and pensioner health benefit care eligibility rules be modified and that annuity payments be treated on the same basis as other income in the income test'.

#### MEANS TEST, POLICY, SAVINGS, TAXATION

- 6 Anstie, Ros, John Freebairn and Michael Porter (1989), *Superannuation and Government Aged Pension Schemes for a Dynamic Economy*, Discussion Paper No. 141, Centre of Policy Studies, Monash University, 26pp.

'The key to providing high incomes in retirement is the pursuit of policies promoting high economic growth. Policies to this end rarely are focussed just on retirement and superannuation issues but cover taxation, government spending, government regulations, labour market arrangements, and the incentive and reward structures facing individuals, private business enterprises and governments. With an expanding economy, most people should be able to self provide for their retirement income, and should face incentives to save and to consume which are level and fair

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across their life time; the basic role of a government pension is to provide a bottom safety net against the problem of aged poverty.

Current taxation arrangements do not encourage private savings for retirement. The income tax system double taxes saving and actively encourages current consumption and dependence on the government age pension. Inflation increases the effective tax burden on saving. An adjusted income tax system that effectively exempts saving from taxation is proposed. That is, the tax system on savings would be levelled down to the system now applying to owner occupied housing. Then, savings would face the same effective tax burden as consumption, and a neutral system of taxation of different savings and investment options would promote economic growth.

Interaction of the taxation system and means testing of the government pension provide little or no incentive for low and middle income persons to save for their own retirement income. Inflation makes effective tax rates on savings extremely high, and often well in excess of 100%. It is proposed that the income test for pension eligibility be based on real rather than nominal income; and that all thresholds and exemptions be automatically indexed in the same way as the pension'.

#### MEANS TEST, POLICY, SAVINGS, TAXATION

- 7 Apps, Patricia (1990), *Tax Reform in an Ageing Population*, Working Paper in Economics and Econometrics No. 218, Australian National University, Canberra, 28pp.

'The burden of financing, retirement incomes in an ageing population is predicted to rise sharply in future decades. This paper investigates incidence and incentive effects of fiscal reforms which rely on proportional taxes to raise additional revenue and on a more targeted welfare system to cut government expenditure, in order to reduce expected future deficits. Estimates of changes in net incomes and hours of work suggest that tax reforms of this kind shift the fiscal burden of ageing to lower and middle income households with a second earner and have counter-productive effects on the labour supply of married women. The study explores the impact of alternative labour force projections and the relevance of factors affecting female labour supply in predicting the fiscal implications of demographic change. The analysis uses unit record data from the Australian Bureau of Statistics 1985-86 Income Distribution Sample Survey file.'

#### TAXATION, WOMEN

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- 8 Apps, Patricia (1992), 'Tax reform, population ageing and the changing labour supply behaviour of married women', in Dieter Bös and Sijbren Cnossen, eds, *Fiscal Implications of an Aging Population*, Springer, Berlin, 137-52.

'The burden of financing retirement incomes in an ageing population is predicted to rise sharply in future decades. This paper investigates the effects of reforms to the Australian tax-benefit system involving a greater reliance on proportional taxation for raising revenue and a more targeted welfare system for cutting government expenditure, in order to reduce expected budget deficits. Estimates of changes in net incomes and hours of work suggest that reforms of this kind shift the tax burden to lower and middle income households with a second earner and that they can have counter-productive labour supply effects. The study explores the impact of projected increases in female work force participation and illustrates the importance of shifts in the labour supply of married women in predicting the fiscal effects of demographic change.'

#### DEMOGRAPHY, TAXATION, WOMEN

- 9 Association of Superannuation Funds of Australia (ASFA, Peter Foxton, chair, Policy Committee) (1995), *Policy Issues Paper 1995*, ASFA, Sydney, 24pp.

The paper examines a number of issues particularly related to the superannuation industry and presents the ASFA position on them. These are: the SGC; employee contributions and government co-contributions; age pensions; banks and other savings arrangements; choice of fund; various operational issues; taxation support for superannuation; prudential issues; complaints procedures; discrimination; women and superannuation; family law issues; and investment issues.

#### DIVORCE, FUNDS, INVESTMENT, PENSIONS, POLICY, SUPERANNUATION, SGC, TAXATION, WOMEN

- 10 Atkinson, Margaret E. and John Creedy (1995), *Modelling Optimal Retirement Decisions in Australia*, Research Paper No. 464, Department of Economics, University of Melbourne, 20pp.

'The aim of this paper is to examine the effect on equity and progressivity for a cohort, allowing for optimal individual behaviour at retirement. The criteria involve a set of utility functions based on the net consumption in the retirement years, with or without regard to any remaining estate at the time of death. Section 2 describes the range of routes available at the time of retirement and the five optimisation criteria. It examines the numbers of individuals choosing each decision under each criterion, using two different mortality assumptions. Section 3 presents the results of a change in the structure of retirement income policy on the individually optimised behaviour. Section 4 compares the implications for lifetime redistribution of assuming that all members of a cohort make the same choice at retirement with those resulting from the assumption that individual optimisation is exercised.' The results,

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presented in Section 5, indicate that the current structure of retirement does not encourage purchase of annuities.

#### ANNUITIES, MEASUREMENT, POLICY

- 11 Atkinson, M.E., J. Creedy and D.M. Knox (1994), *Lifetime Income, Taxation, Expenditure and Superannuation (LITES): A Life-Cycle Simulation Model*, Research Paper No. 9, Centre for Actuarial Studies, University of Melbourne, 37pp.

'This document describes the scope and execution of the program LITES, which models the economic progress of individuals from entry into the workforce until death in retirement.'

#### MEASUREMENT

- 12 Atkinson, M.E., J. Creedy and D.M. Knox (1994), *Planning Retirement Income in Australia: Routes through the Maze*, Research Paper No. 16, Centre for Actuarial Studies, Department of Economics, University of Melbourne, 30pp; also appears (1995) in *Australian Economic Review*, 112(4), October-December, 15-28.

'The purpose of this paper is to attempt to clarify the incentives which arise from the current structure of taxes and benefits. The method used is to consider in detail the implications, for individuals in receipt of a selection of income streams, of taking alternative routes through the retirement maze.' The authors conclude that 'there is rarely an obvious decision in this choice'.

#### MEASUREMENT, TAXATION

- 13 Attorney-General's Department (1992), *The Treatment of Superannuation in Family Law*, Discussion Paper, Family and Administrative Law Branch, Attorney-General's Department, Canberra, 20pp.

'The purpose of this paper is to seek public comment on a number of issues relating to the reform of the treatment of superannuation in family law property proceedings.' It assesses current law as well as criticism of it; considers some developments in the area both in policy and law; outlines a proposal for reform of the law in relation to the treatment of superannuation as matrimonial property; and identifies issues relevant to the reform proposal on which comments from the public are welcomed.

#### DIVORCE, SUPERANNUATION

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- 14 Attridge, Martin (1991), 'The politics of superannuation', in *The Super Tax Rort*, ACTCOSS Occasional Paper, Canberra, 5-13.

'Retirement incomes are a concern for most people. This paper will focus on the recent political history of superannuation in Australia, with particular emphasis on why a national superannuation scheme has not been implemented. The paper considers the equity implications of an occupational superannuation regime. In conclusion, various proposals are advanced to steer superannuation fund investment towards socially constructive purposes.'

#### NATIONAL SUPERANNUATION, POLICY, SUPERANNUATION

- 15 Australian Bureau of Statistics (1985), *Census of Superannuation Funds, Australia 1982-83*, ABS Catalogue No. 5636.0, Canberra, 56pp.

This publication presents detailed statistics compiled from the Census of Superannuation Funds, 1982-83. The census collected data on superannuation schemes and funds whose primary purpose is to provide benefits on retirement. Those surveyed were classified into: private sector funds; restricted membership funds including employees' funds, self-employed persons' one member funds and self-employed persons' group funds; open funds; public sector funds and schemes; self-administered funds; and life insurance offices funds and schemes. Information was collected on: fund administration; benefits and contributions; eligibility; assets and liabilities; income; expenditure; and number of members and pensioners.

#### COVERAGE, FUNDS

- 16 Australian Bureau of Statistics (1991), *Directory of Superannuation Statistics*, ABS Catalogue No. 1131.0, Canberra, 90pp.

'This directory contains details and descriptions of superannuation related statistics available from both private and public sector organisations and is intended to assist those interested in the subject of superannuation to locate relevant statistical information.'

#### COVERAGE, FUNDS, SUPERANNUATION

- 17 Australian Bureau of Statistics (1992), *Superannuation Australia, November 1991*, ABS Catalogue No. 6319.0, 33pp.

This publication presents data on superannuation coverage at November 1991 according to a number of variables: compared to November 1988; by birthplace; by age; by gender; by industry; by occupation; by employment status; by union membership; by employment sector; by pay level; by level of contribution; and according to who paid the contribution. Data on reasons why people are not covered

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by superannuation are also presented. Employees aged 45 to 74 were asked about their type of payment from superannuation and their expected main source of income after ceasing work; data are presented by employment status and usual weekly income.

#### COVERAGE, DEMOGRAPHY, SUPERANNUATION

- 18 Australian Bureau of Statistics (1993), *Retirement and Retirement Intentions Australia, October 1992*, ABS Catalogue No. 6238.0, Canberra, 37pp.

This publication presents the results of a survey of people who had retired from full-time work, November 1986 to October 1992 and of people aged 45 and over who intended to retire from full-time work early during the same period. Among the questions asked, some were related to the main source of income at retirement and retirement scheme membership at retirement. The results are reported for males and females.

#### COVERAGE, SUPERANNUATION, WOMEN

- 19 Australian Bureau of Statistics (1995), *Older People in New South Wales: A Profile*, ABS Catalogue No. 4108.1, ABS and Office on Ageing, Social Policy Directorate, New South Wales Government, 135pp.

The section on income in this publication presents data on income distribution in NSW by age; sources of income of people aged 50 and over, by age group; the main source of income for people aged 65 and over; type of pensions received by people aged 60 and over; main sources of retirement income of people aged 45 and over; superannuation coverage of employees; and expenditure.

#### COVERAGE, PENSIONS, SUPERANNUATION

- 20 Australian Capital Territory Council of Social Service (ACTCOSS) (1989), "The winter of our discontent": retirement incomes', *ACTCOSS News*, 3, 2-15.

This number of the journal presents papers delivered at a seminar on retirement incomes. The articles included are:

Gaps in services	Diane Proctor
Towards a national retirement incomes policy: Social Security Review Issues Paper No. 6	Owen Donald (q.v.)
Future retirement policies: the reality	Judy Power (q.v.)
Australian public opinion on retirement income policy	John McCallum (q.v.)
Superannuation and retirement	Martin Attridge
Retirement, a legal nightmare	Allan Anforth

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Income guarantees or inadequacies  
 Older women's predicament  
 Some pension problems  
 Appeals provisions

John Tomlinson  
 Kath Bourke  
 Winn Tate  
 Allan Anforth

#### ADEQUACY, ATTITUDES, ELIGIBILITY, PENSIONS, POLICY, SUPERANNUATION, WOMEN

- 21 Australian Consumers' Council (1994), *Super Day Super Say: The Results of the Consumer Superannuation Phone-In, 23 November 1993*, AGPS, Canberra, 41pp+.

The Australian Consumers' Council held a phone-in 'aimed to identify gaps in consumers' knowledge of, and information on superannuation; to develop a consumers' perspective on superannuation; and to assess support for a superannuation and insurance legal service'. 'There is clear evidence that for a number of Australian consumers there are significant problems with superannuation. Information provided about superannuation is inadequate to guide a consumer choice. Superannuation for nearly half the callers had proved to be a poor investment. Respondents wanted more control over their retirement savings. They complained of agents' selling tactics and service. They were fearful that their superannuation savings were not secure. They felt that there is no satisfactory dispute resolution mechanism that addresses particular problems, and little debate about the structural problems facing superannuation. There was seen to be an urgent need to direct superannuation to satisfy consumers' needs - for despite its problems, superannuation is seen as an important way to save for retirement. There was overwhelming support for a special superannuation legal advisory service.'

#### ATTITUDES, SUPERANNUATION

- 22 Australian Council of Social Service (1980), 'Why a means test?', *Australian Social Welfare: Impact*, 10(2), May, 15-18.

In response to the call to abolish the income test on the old age pension this statement looks at some of the dangers and implications of this approach. 'To increase the numbers of people eligible and thus to spread limited funds further may not benefit anyone, least of all the poor.' The article uses 15 most-asked questions to set out the argument for a means test. There is also a very brief history of age pensions in Australia.

#### MEANS TEST, PENSIONS

- 23 Australian Council of Social Service (1988), *Reform of Superannuation Tax Concessions*, An ACOSS Submission to the Federal Government, ACOSS Paper No. 13, ACOSS, Sydney, 33pp.

'This submission is concerned principally with the present system of tax concessions relating to superannuation. The fundamental justification for the concessions is to encourage people to save enough money during their working lives to provide a reasonable basic standard of living for themselves during their retirement years.' The present concessions 'cost the government at least \$5 billion and possibly \$5 billion or more each year. They have led to the accumulation of approximately \$70 billion in superannuation funds, which is an amount almost as large as the total Federal Budget'. In addition they have led to the provision of 'very substantial amounts of government assistance to some members of the community'. The paper describes the present system of concessions; the present patterns of superannuation coverage; the effect of the present concessions; the failings of the present system; and then makes a series of recommendations relating to: a limit on total benefits; limits on lump sum and concessional rates of taxation; taxes on fund earnings; vesting and preservation; indexation; roll-over funds and public sector schemes; fund surpluses; the pre-1993 regime; phasing-in the proposed limits; and spreading superannuation coverage. It also suggests two alternative systems to the present one.

#### SUPERANNUATION, TAXATION

- 24 Australian Council of Social Service (1988), 'Superannuation concessions cost \$3.5 billion per year', *Australian Social Welfare Impact*, 18(2), April, 7.

The article is an account of the arguments relating to superannuation put to the government by the Australian Council of Social Services (ACOSS). The proposals include: a \$200,000 limit on total benefits obtainable from a tax exempt fund, and a \$100,000 limit on lump sum pay-outs; the continuation of the present low tax rate of 15 per cent applied to lump sums of up to \$50,000; the removal of the tax exemption currently enjoyed by superannuation funds; and the introduction of a 'tax credits' system. ACOSS submits that these measures 'would spread the benefits of superannuation more widely throughout the community'.

#### COVERAGE, LUMP SUMS, SUPERANNUATION, TAXATION

- 25 Australian Council of Social Service (1989), *Improving Retirement Living Standards: ACOSS Response to Social Security Review Issues Paper No. 6*, ACOSS Paper No. 25, ACOSS, Sydney, 29pp.

'This submission is concerned with the development of an adequate, equitable and affordable retirement income policy for Australia.' It welcomes the contribution made by the Social Security Review Paper (Foster, 1988) to raising community awareness of the subject and agrees with a number of its proposals. It then identifies the major relevant issues for a retirement incomes policy as: adequacy of basic

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income; income tests and taxation; retirement savings; housing; information and services; employment; and retirement and pension eligibility ages. It canvasses types of retirement income systems, funding and the relationship of retirement incomes with other pensions and benefits. After discussing each of the issues identified above, the paper makes specific recommendations for change or improvement of the current system.'

#### ADEQUACY, ELIGIBILITY, HOUSING, MEANS TEST, PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 26 Australian Council of Social Service (1991), 'Inequities of super system', *Impact*, 21(4), May, 18-19; reprinted in *The Super Tax Rort*, ACTCOSS Occasional Paper, 51-3.

'Many low-income people have little or no superannuation, with coverage especially bad among women, part-time or casual workers, and people working in industries which do not have strong unions'. The Industrial Relations Commission has pointed to these problems and has recommended that the government convene a national conference on superannuation to consider: employer non-compliance with existing award provisions; the desirability or non-desirability of additional award-based superannuation for employees already covered by non-award schemes; extension of award-based superannuation; flexibility in some aspects of award-based superannuation; and the application of superannuation to casual, part-time and short-term employees. ACOSS would like to see discussion of additional issues such as tax concessions, age of taking out superannuation, and lump sums. However, ACOSS has also developed options for more fundamental reform which are canvassed in the article.

#### COVERAGE, LUMP SUMS, SUPERANNUATION, TAXATION, WOMEN

- 27 Australian Council of Social Service (1991), 'Kerin queried by women's welfare groups over inequities in super levy', *Impact*, 21(10), November, 23.

Welfare, women's and community groups have expressed concern to the Treasurer over the proposed Superannuation Guarantee Levy to be introduced in July 1992. The groups have suggested giving low-income earners and part-time workers the option of taking a wage increase in lieu of superannuation; and the establishment of a national holding fund so that part-time workers and casual workers who have many different employers over their working life, do not find their super entitlements split among numerous funds. Aspects of the inequalities seen in the proposed new scheme are outlined.

#### SGC, WOMEN

- 28 Australian Council of Social Service (1995), *Spotlight on Super, Impact Supplement*, October, 12pp.

This supplement to the ACOSS journal, *Impact*, has been prepared to inform people about the main features of the government's compulsory superannuation scheme. These include 'the proposed employee and government contributions announced in this year's federal Budget, and the legitimate concerns that exist about its likely impact on: low income people, who can least afford to save; access to savings for purposes other than retirement, especially for women; the public purse; and investment for Australia's economic development.' It lists a number of community groups who have called for major changes and sets out their reasons and proposed reforms. The articles included are:

The governments' superannuation scheme: what is it, who benefits and who pays?	Peter Davidson
Impact on national saving and economic development	Alison McClelland
Equity and the age pension	Gerard Thomas
The government's superannuation scheme: an ACOSS view	
No Virginia, money does not grow on trees	Eva Cox
Superannuation and early retirement	Denys Correll
When do people need their money most	
The consumer perspective	Jenni Mack
Super myths and realities	

#### PENSIONS, SUPERANNUATION, SGC, WOMEN

- 29 Australian Council of Social Service and Australian Council on the Ageing (1984), 'Focus on assets', *Australian Social Welfare: Impact*, 14(1), March, 8-12.

In early 1984 the government funded ACOSS and ACOTA to convene a national workshop of pensioner groups to discuss the design of the proposed Assets Test of pensioners. The resulting report examines the proposed Assets Test. Three main design questions and their answers are discussed: what assets are included? How are assets added to income to determine a person's need for the pension? How is the pension reduced by having assets? Recommendations are made in all these areas. It is concluded that the debate on the Assets Test should be widened to a

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comprehensive review of retirement incomes policy and the interaction of the taxation and social security systems.

#### MEANS TEST

- 30 Australian Council of Trade Unions (1991), *How the New Superannuation Legislation Will Affect Women*, ACTU, Melbourne, 17pp.

The material was prepared to indicate the benefits for women in the national superannuation legislation. It describes the legislation itself with particular reference to women, explaining why women have traditionally missed out on superannuation. There are sections discussing the relationship of superannuation to the pension, the investment of contributions, self-employed women, women not in the paid workforce and the situation following divorce.

#### DIVORCE, COVERAGE, SELF-EMPLOYED, SUPERANNUATION, SGC, WOMEN

- 31 Australian Institute of Multicultural Affairs (1985), *Ageing in a Multicultural Society, The Situation of Migrants from Non-English-Speaking Countries*, AIMA, Melbourne, 75pp.

One chapter of the publication deals with work, retirement and income. It includes information on sources and adequacy of retirement income. 'For most of the ethnic aged, retirement from paid employment means a sharp drop in income without the cushioning benefit of a lump sum payment or the supplementary income from a superannuation scheme. The age pension provided the main or sole source of income for the great majority.'

#### ADEQUACY, IMMIGRANTS

- 32 Australian Mutual Provident Society (1991), *How to Make the Most of Your Super*, AMP, Sydney, 60pp.

This book explains 'in a straightforward way the essential things you need to know to ensure you get the best possible from your Super... including the best possible tax breaks at the beginning of your investment in Super, and run-down on the kind of benefits you'll be needing in the future to make sure you can live the type of lifestyle you want for your retirement - a "Super" lifestyle'.

#### INVESTMENT, SUPERANNUATION, TAXATION

- 33 Australian Pensioners' and Superannuants' Federation (1990), 'Women in retirement', *Bottom Line*, Income Security 2, June, 1-16.

The paper puts the special case for women in the context of retirement income. The disadvantages faced by women relate to the fact that they have difficulty in saving in their own right for their later years because they often spend a large part of their adult years caring for children; and even those in the labour force have had little opportunity to contribute to superannuation. Women tend to retire earlier than men and to live longer. The Federation recommends a review of 'the circumstances of women pensioners with no other income', a study of the financial needs of women on the pension, a review of 'the financial position; the workforce entry difficulties and the caring obligations of women affected by the decision to phase out the Widows B pension. In light of this review, the eligibility criteria for the Carer's pension may need to be re-examined'. The paper also recommends that the pension should be fixed at no less than 35 per cent of AWE and that a disability allowance should be paid, irrespective of age, to assist with the high cost of disability. Other recommendations are made about superannuation, including an education program to promote its acceptance.

The paper also reports on a seminar on the financial needs of women in retirement (1989) co-sponsored by the Older Women's Network and the Human Rights and Equal Opportunity Commission.

#### ADEQUACY, PENSIONS, WOMEN

- 34 Australian Pensioners' and Superannuants' Federation (1991), 'Budgeting in recession', *Bottom Line*, Income Security, May, 1-8.

'This special edition of *Bottom Line* presents an outline of the AP and SF's 1991 Budget submission 'Security in Recession'... The submission argues that it is in such times that the needs of Australia's poorest warrant immediate concern. It presents a list of spending priorities which the Government needs to address in its August budget. The AP and SF submission highlights the struggle that sections of our community face on fixed incomes, with lessening employment opportunities'.

#### ADEQUACY, PENSIONS

- 35 Australian Pensioners' and Superannuants' Federation (1991), *Older People and Fringe Benefits*, Report commissioned by the Department of Social Security, AP and SF, Sydney, 48pp+. Researchers involved: Richard Mohr, John Barber, Terence Aschoff, Gerard Thomas.

This is a report of a research study into the value of fringe benefits to older people, and their perceptions of this value, not only in cash value terms. It comments on the confusion about the value and entitlements attaching to the Pensioners Health Care card and makes recommendations to both Commonwealth and State Governments.

#### FRINGE BENEFITS

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- 36 Australian Pensioners' and Superannuants Federation (1991), 'Super woman: a conference on Women and Superannuation', *Bottom Line*, Income Security, October, 3-7.

This article presents the recommendations from the first national conference on women and superannuation, held in September 1991. The recommendations fell into a number of groups: women's access to award and occupational superannuation coverage; personal superannuation; women not in the paid workforce or those who work few hours; women and discrimination; women and pensions; Koori women; women from non-English backgrounds; women and divorce; and regulation of superannuation funds and industry investment strategies.

#### COVERAGE, DIVORCE, ELIGIBILITY, FUNDS, IMMIGRANTS, PENSIONS, SUPERANNUATION, WOMEN

- 37 Australian Pensioners' and Superannuants' Federation (1992), 'Faith, hope and charity: older people and income security under Fightback!', *Bottom Line*, Income Security, July, 18pp.

This paper critically examines the Fightback! package of the Coalition from the perspective of the older consumer. It examines the proposed Goods and Services Tax (GST) and its repercussions for older people and the adequacy of the compensation measures. Fightback! states that after compensation measures for the GST the pension will be valued at about 28 per cent of Average Weekly Earnings(AWE) but fails to give any commitment that it would remain at this or even 25 per cent. The AP and SF calls upon the Coalition and the Government to adopt a means-tested pension supplement equal to half the income free area of \$42 a week, of the type recommended by the 1988 Social Security Review, but the Coalition has indicated it would not support this. Pensioners are concerned about the continuing relevance of the relationship between AWE and the level of the pension. They also question the validity of the CPI as a means of assessing changes in pensioners' cost of living, including the fact that there is an eight week delay between the release of the CPI and indexation of the pension. Fightback! would continue the current indexation arrangements. Under Fightback! age pensioners would be able to notify the Department of Social Security of changes in their income on a six-monthly basis instead of the present arrangements of within 14 days. This would benefit some, but not those waiting for adjustment after a decline in income. Finally, fringe benefits under the Coalition are uncertain.

#### ADEQUACY, MEANS TEST, PENSIONS, POLICY

- 38 Australian Pensioner's and Superannuants' Federation (1992), 'Under the microscope... pensions and income security', *Bottom Line*, Income Security, April, 1-18.

'Recent debates around superannuation have focused heavily on the future needs of older people in retirement and have tended to neglect the very real problems faced by today's retirees. This *Bottom Line* seeks to redress this imbalance and focus attention on the important issues facing today's pensioners and older Australians by examining how pensioners have fared in recent years. It presents a case for an increase in the basic rate of the pension, for greater financial assistance for pensioners with little or not income apart from the pension and for measures to protect pensioners from inflation. It also argues for the extension of fringe benefits to all pensioners and supports the extension of pharmaceutical concession to retirees on modest incomes'.

#### ADEQUACY, FRINGE BENEFITS, PENSIONS

- 39 Australian Pensioner's and Superannuants' Federation (1993), 'A decade of change to the Australian Age Pension: equity, adequacy and the future', *Bottom Line*, Income Security, November, 1-11.

This issue of the journal examines how older people have fared from government changes to the age pension over the last 10 years. It considers recent changes (identifying the beneficiaries from those changes), pension adequacy, retirement income targets, the financial costs of increasing pension levels, trends in social security spending on older people, ways of assisting pensioners at the bottom of the income scale, and the impact of recent superannuation changes on the future retirement incomes of older people. Although there have been benefits to most pensioners, including those who have other income, little attention has been focused on helping those pensioners at the bottom end of the income scale. The goal of the Association is a pension of 35 per cent of Average Weekly Earnings (AWE), but the Federation recognises that cost would be a 'significant barrier'. 'In the current environment, poverty alleviation should remain the principle objective of our retirement incomes system'.

A supplement to the paper provides information on patterns of expenditure for older people, comparing pensioners and non-pensioners.

#### ADEQUACY, PENSIONS

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- 40 Babbage, Sally (1984), 'The value to pensioners of fringe benefits', *Social Security Journal*, December, 51-8; also in *Australian Social Welfare Impact* (1985), 15(1), January, 20-3; also in *Current Affairs Bulletin*, 61(6), November, 25-30.

This article summarises data which the Social Welfare Policy Secretariate (SWPS) collected for its report entitled *Pensioner Fringe Benefits: Their Range, Cost and Value*. The study: identifies fringe benefits that are currently made available to pensioners by Commonwealth, State and local governments and non-government bodies; estimates the cost to Commonwealth and State governments of providing fringe benefits to pensioners and other low income persons; and estimates the value to pensioners of these fringe benefits. The data collected indicate that the value of fringe benefits to pensioners can be quite substantial, adding considerably to their standard of living and making sense of the practice of some pensioners who arrange their income in order to meet the income test for fringe benefits and the Pensioner Health Benefit card. The information presented should be useful to welfare agencies in preparing a resource document for pensioners and for social policy makers in their study of overlapping income tests and marginal tax rates.

#### FRINGE BENEFITS

- 41 Bacon, Bruce R. (1994), *RIM Population and Demographic Modelling Strategy Paper*, Working Paper 94/2, Retirement Income Modelling Task Force, The Treasury, Department of Finance and Department of Social Security, Canberra, 32pp.

The Retirement Income Modelling (RIM) Task Force 'has as its principle object "To develop a capacity for modelling the impact of retirement income policies over the next half century and provide advice to departments and Ministers as required on policy options affecting retirement incomes". The Task Force is concerned with dynamic simulation modelling of the interaction of superannuation, labour markets, social security and taxation over a 50 year time horizon at both an aggregate and individual-based level'. The research requires population and demographic projections to 2051, when 'a full generation will have benefited from a fully phased in Superannuation Guarantee policy'. These projections, which draw on the work of the Demographic Section of the ABS, are not forecasts, but reflect 'scenarios based on sets of plausible assumptions about fertility, mortality and migration'. The demographic variables of importance include population totals, sex and age structure, fertility, deaths, life expectancy, migration, workforce participation, disability, retirement, pensions and, to a lesser extent, family formation, marriage and divorce. The terms of reference of the Task Force also includes the direction 'to investigate the sensitivity of its models to demographic variables'. 'This paper explores a strategy for building a population module, based around ABS methodology, to be included in the RIM suite of models'.

#### DEMOGRAPHY, MEASUREMENT

- 42 Bacon, Bruce, R. and Phil Gallagher (1995), *Early Retirees: Trends and their Use of Superannuation Benefits and Social Security Payments*, Conference Paper 95/6, presented to DSS Seminar on Early Retirement, Retirement Income Modelling (RIM) Task Force, The Treasury, Canberra, 40pp.

Research was conducted using available ABS data and a number of modelling programs in use by the RIM task force. Results indicate that: early retirement is an increasing phenomenon for men and women; this increases at the superannuation preservation age of 55; involuntary and family retirements outnumber voluntary retirements more than threefold; early retirement leads to substantial use of social security provisions; more than a third of superannuation benefits are large enough to affect social security payments; those with larger benefits tend not to have social security as a main income source; and there is not much evidence for significant use of lump sums.

#### DEEMING, DOUBLE DIPPING, LUMP SUMS, MEANS TEST, PENSIONS, SUPERANNUATION

- 43 Baldock, Cora V. and Bettina Cass, eds (1983), *Women, Social Welfare and the State*, Allen and Unwin, Sydney, 330pp.

'This book explores the ways in which public policies at the levels of political parties, government administration and the judiciary intervene in the lives of Australian women.' The subject of age pensions and superannuation is discussed by a number of the authors included, though there is no chapter treating directly with retirement incomes.

#### POLICY, WOMEN

- 44 Barber, John (1994), 'Pension means tests: successes, problems and prospects', in Julian Disney and Lynelle Briggs, eds, *Social Security Policy: Issues and Options*, papers from the conference Social Security Policy: The Future, AGPS, Canberra, 155-65.

'A means test will only be successful when the community perceives it to be fair. This requires that the means test be widely understood, attract community support, offer some sense of stability (or at least predictability), and effectively address the inevitable tension between targeting and encouraging self-provision'. The paper looks at the objectives of the means test, and some recent initiatives of the Government in the area of retirement income provision: the 'deeming' policy, income tax and pensioner shares. It discusses frameworks for retirement income policy and puts forward some options for the future, with regard to simplicity, a 'merged means test', treatment of the family home, concessions and fringe benefits, purchased pensions and measures of eligibility other than age. The author concludes that the Review of Income and Assets Tests provides a welcome opportunity to 'start from first principles' and result in a fair system.

#### DEEMING, ELIGIBILITY, MEANS TEST, PENSIONS

- 45 Barber, John, Gillian Moon and Sharon Doolan (1994), *Questions of Balance: A Discussion Paper*, Ageing Agendas, Department of Social Security, Canberra, 320pp.

This paper presents 'issues and options arising from the Strategic Review of the Pensions' Income and Assets Tests'. It 'provides a background to the development of the current means tests; looks at the objectives of the income and assets tests in the framework of the governments' retirement income and other relevant policies; presents the major issues which people have raised, during consultations and in submissions, about the tests; discusses the main options suggested for improvements to the current system; and proposes a set of benchmarks to guide decision making about the options'.

The authors suggest that the effectiveness of proposed options should be measured against the following benchmarks: to ensure social justice, so that those with the least resources receive the greatest support; that those with similar private resources are entitled to the same level of public support; that a person's final net income will always be greater, as a result of self-provision, than it would have been in the absence of such effort; that the benefits of participating in the workforce, education or training are clear; that pensioners' choice of investments is not affected by the means test; that the pension system is affordable and sustainable within the government's fiscal strategy; that in assessing adequacy, reference is made to community living standards; that reforms and changes to means tests contribute to simplicity and clarity; that the means tests be flexible enough to cater to changes in individuals' circumstances but robust enough to allow for planning; and that the means test involve a minimal level of intrusion into the lives of pensioners.

#### MEANS TEST, POLICY

- 46 Barber, John, Gillian Moon and Sharon Doolan (1994), *Targeting for Equity, Final Report of the Strategic Review of the Pensions' Income and Assets Tests*, Ageing Agendas, AGPS, Canberra, 210pp.

'This Report builds upon the material presented in *Questions of Balance*, the discussion paper released for the purposes of this Review, as well as on an extensive consultation process.' Results are presented and recommendations are made under a number of headings: the rationale for income and assets testing; characteristics of means tests; evaluating current provisions; universal entitlement; new approaches to means testing; housing and the assets test; the assets test and farmers; income test reform; treatment of compensation; Disability Support pensioners and medical reviews; overseas pensions; income stream investments; flexibility in income and asset testing; nursing home entry; gifting; bereavement; pensioner concessions; taxation and the income and assets tests; savings provisions; information, education and implementation.

'The recommendations in the Report are best viewed as a package. The extension of deeming to all investments will ensure a common approach across the means testing

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system, increasing fairness and ease of understanding, whilst maintaining a system which provides an adequate pension which is affordable and sustainable.’ The authors conclude that ‘the application of a conservative deeming rate will also better accommodate opportunities for self provision’.

Government response to this report was expressed by the Minister for Social Security (Peter Baldwin) in a statement in connection with the 1995-96 Budget, *Retirement Incomes: Challenges Facing the Social Security System*, May 1995.

#### DEEMING, HOUSING, MEANS TEST, TAXATION

- 47 Bateman, Hazel, Geoffrey Kingston and John Piggott (1993), ‘Taxes, retirement transfers, and annuities’, *Economic Record*, 69(206), September, 274-84; also appears as Research Paper No. 6, Superannuation Economics Research Group, University of New South Wales, 25pp.

‘In most countries, retirement benefits from pension saving must be taken as an annuity. By contrast, Australia allows benefits to be taken as a lump sum, and instead has recently introduced various tax incentives to encourage annuity purchase. This paper investigates the effectiveness of these tax concessions, and concludes that they do little to achieve this objective. This is because they are nullified by the provisions of the broader tax and social security framework within which Australian private pension policy is set’.

#### ANNUITIES, LUMP SUMS, POLICY, TAXATION

- 48 Bateman, Hazel, Geoffrey Kingston and John Piggott (1994), ‘Equity, efficiency and the Superannuation Guarantee’, in David Knox, ed., *Superannuation: Contemporary Issues*, Longman Professional Publishing, Melbourne, 40-53; a version by Geoffrey Kingston, Hazel Bateman and John Piggott appears as Research Paper No. 13, Superannuation Economics Research Group, School of Economics, University of New South Wales, Sydney, 28pp.

‘This chapter considers the Superannuation Guarantee (SG) from the perspective of what a national retirement income policy ought to deliver in the way of equity and efficiency. The next section considers the SG in the perspective of retirement income policies elsewhere before a discussion on double dipping, which refers to the practice of enjoying both a tax-privileged retirement benefit and a government income stream in old age. In addition to the efficiency cost of increasing the calls on tax revenue, this practice may well have been the main failing in equity of Australia’s pre-existing retirement income policy...’ The chapter then considers the importance of risk management under the SG, drawing on precepts from modern finance theory. ‘A major efficiency cost of the pre-existing system has been inadequate saving, except in the form of additional equity in housing.’ It is argued that this has been obscured by the official methodology for estimating the revenues lost to ‘tax expenditures’. The next section argues that some people (‘high fliers’)

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'can use the current arrangements to reduce somewhat the (purported) progressivity of the tax system, even as the early decades of the Superannuation Guarantee may find the working poor in a weaker position to save towards a house. The final section considers drawbacks of the Superannuation Guarantee for women...'

#### DOUBLE DIPPING, HOUSING, POLICY, SGC, WOMEN

- 49 Bateman, Hazel, Geoffrey Kingston and John Piggott (1994), 'The equity implications of mandated funded pension schemes', in John Creedy, ed., *Taxation, Poverty and Income Distribution*, Edward Elgar, England, 163-74; also appears as Research Paper No. 9, Superannuation Economics Research Group, School of Economics, University of New South Wales, Sydney, 17pp.

Governments are experimenting with policies designed to have each generation provide to a greater extent for its own retirement than has been the case in past years under unfunded social security systems. The equity implications of these new mandated funded pension schemes are largely unexplored. This chapter is an attempt to come to grips with the issue, with particular reference to intergenerational and intragenerational effects in the Australian model which is known as the Superannuation Guarantee Charge. While generational equity may be improved by such schemes, the effects within any generation are not so clear. The chapter looks briefly at the situation of the working poor and of women.

#### POLICY, SGC, WOMEN

- 50 Bateman, Hazel and John Piggott (1992), 'Australian retirement income policy', *Australian Tax Forum*, 9(1), 1-26; also appears as Research Paper No. 5, Superannuation Economics Research Group, Department of Economics, University of New South Wales, 36pp.

'This article attempts to elucidate the complex interplay between the tax system, the social welfare system, and current policy toward private provision for retirement, so that the superannuation reforms can be seen in their policy content'. It begins with an overview of the policy agenda as interpreted by the authors. 'The next section describes the present structure of the retirement income system, which includes both the age pension and superannuation. Particular emphasis is given to the taxation treatment of superannuation and the relationships via the tax and social security systems between superannuation and the age pension. The superannuation levy is also described, although details of its operation are currently somewhat sketchy'. The authors conclude 'that current retirement policy has moved some distance toward providing adequate insurance against the various dimensions of risk facing retirees. Coverage risk is progressively being reduced. Replacement risk will be low for those who spend their working lives under current arrangements; adequate replacement may however depend upon some exposure to investment risk. The present incentives to insure against longevity and inflation risk through complying

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annuity purchase are unlikely to be very effective, and mandated annuity purchase is a policy innovation to be seriously considered. This would also tend to reduce the probability of relying on an uncertain age pension'. Appendices present a list of major policy changes affecting superannuation since 1983 and the features of the age pension as at July 1991.

#### ANNUITIES, COVERAGE, INVESTMENT, PENSIONS, POLICY, SUPERANNUATION, SGC, TAXATION

- 51 Bateman, Hazel and John Piggott (1992), 'Superannuation guarantee charge - what do we know about its aggregate impact?', in Economic Planning Advisory Committee, *Economic and Social Consequences of Australia's Ageing Population - Preparing for the 21st Century*, Background Paper No. 23, Office of EPAC, AGPS, Canberra, 39-52; also appears as Research Paper No. 7, Superannuation Economics Research Group, Department of Economics, University of New South Wales, 19pp.

'The superannuation guarantee charge (SGC) introduces into Australia for the first time a national earnings related retirement income scheme'. 'This paper considers the implications of the SGC for three of the most relevant aggregates: labour cost, saving, and revenue cost'. While these impacts are important, the policy should be assessed on its success in the provision of adequate income replacement to retired employees. 'Analysis of aggregate impact derives its importance not so much from economic considerations as political ones'.

The authors conclude that 'in the long term labour costs are likely to be minimal, because wages will adjust, but that there may be transitional cost impacts, particularly in sectors where superannuation coverage has been historically low'. Saving impacts will be positive, and the authors show how sensitive they are to changes in assumptions about underlying parameter values and policy change, while emphasising that saving increases which are quite small as a percentage of GDP may be large as a proportion of net saving. In the area of revenue cost it is argued that 'the tax expenditure concept which has been used as the basis for calculating the revenue cost of the SGC, leads to misleading results. In particular, it underestimates the extent to which savers might take advantage of other tax preferred saving channels, in the absence of superannuation tax concessions; and it ignores the impact of increased superannuation saving on age pension eligibility, and thus on future revenue liabilities'.

#### POLICY, SAVINGS, SGC, TAXATION

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- 52 Bateman, Hazel and John Piggott (1993), 'Australia's mandated private retirement income scheme: an economic perspective', in *Retirement Income Perspectives*, EPAC Background Paper No. 30, Economic Planning Advisory Committee, AGPS, Canberra, 1-45; also appears as Research Paper Series No. 10, Superannuation Economics Research Group, School of Economics, University of New South Wales, Kensington, 62pp.

The Superannuation Guarantee Charge (SGC) has recently been introduced in Australia; it is an employment-related retirement income scheme designed to operate alongside the age pension. It differs from such schemes in other OECD economies, being 'government mandated rather than government provided; generally funded rather than unfunded; of the defined contribution rather than the defined benefit type; and allows benefits to be substantially taken as a lump sum, rather than requiring them to be taken as an indexed income stream'.

'This paper describes the development and operation of the SGC, assesses its strengths and weaknesses as a mechanism for retirement income provision, and offers a partial agenda for further policy development... The paper offers a brief international comparison of retirement income policies, and points out that Switzerland, Denmark, Finland and Chile are among the nations that have implemented or are in the process of introducing similar policies'. The SGC 'is assessed as being potentially effective in providing adequate income replacement for employees, and the extension of its coverage to embrace the self-employed is seen as desirable. Overall, it is likely to improve the efficiency of resource allocation'. Its efficacy could be improved by changes in policy affecting investment strategy, requirements on the disposition of benefits, integration with the age pension, and taxation of superannuation saving.

#### COMPARISONS, COVERAGE, POLICY, SGC

- 53 Bateman, Hazel et al. (1990), *Demographics, Retirement Saving, and Superannuation Policy: An Australian Perspective*, Discussion Paper No. 241, Centre for Economic Policy Research, Australian National University, 82pp; a version appears in Peter J. Stemp, ed. (1991), *Saving and Policy*, Proceedings of a Conference, Centre for Economic Policy Research, Australian National University, 193-227; also appears as Research Paper No. 1, Superannuation Economics Research Group, School of Economics, University of New South Wales, 35pp. Other authors: Jack Frisch, Geoff Kingston and John Piggott.

'During the next 30 or 40 years our population will age considerably. This paper addresses the relationship between demographic transition and aggregate saving, analyses the policies implemented to influence private retirement savings and considers the policy context and structure of the superannuation industry in the light of its role of managing private retirement saving. Studies which have addressed the implications of demographic transition on private saving, have not been able to draw firm conclusions. However, our regressions of private saving rates for a number of

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OECD countries and Australia on demographic variables indicate that (notwithstanding concerns about model specifications) saving is affected by demographic factors in the way predicted in the life cycle hypothesis.

Policy initiatives since 1983 (primarily in the form of tax concessions) have promoted superannuation as the favoured vehicle for the accumulation of private saving for retirement provision. Numerical examples show that under fairly conservative assumptions reasonable levels of retirement provisions can be anticipated where fund membership is long term. A 6 per cent productivity award superannuation scheme could come close to replacing the age pension for a single male on average weekly earnings. The success of the policy intention to eliminate double dipping through the encouragement of annuities appears unlikely due to (in addition to the long entrenched expectation of a lump sum): adverse selection difficulties; the absence of long duration securities; and the thinness of the annuities market. Weakness in the current approach to the taxation of superannuation are also evident in the absence of indexation in some provisions.

The analysis of the superannuation industry suggests significant concentration in the industry and a significant difference in fund earnings between small funds (generally lower earnings) and large funds (generally higher earnings) with some of the smaller funds delivering low returns at a high risk. Furthermore, it appears to be difficult to make a good choice of fund and fairly costly to change funds. In addition, a number of important policy issues including the principal-agent problem and an appropriate means of aggregating preferences have not been addressed by either the superannuation industry or its regulatory bodies.'

#### ANNUITIES, DOUBLE DIPPING, FUNDS, MEASUREMENT, POLICY, SAVINGS

- 54 Batrouney, Jennifer (1991), 'Super surplus: rights of distribution', *Taxation in Australia*, 25(10), May, 726-33.

'This article examines the concept, utilisation, entitlement, transfer and repayment of superannuation fund surplus. Some broad propositions applying to super fund trust deeds are also submitted.'

#### FUNDS

- 55 Benson, John W. (1981), 'Superannuation - self employed versus employee superannuation', *Professional Administrator*, 33, April-June, 65-7.

The operation of superannuation funds established for the benefit of employees is governed by Section 23F of the Income Tax Assessment Act. This article outlines some of the provisions of this section.

#### FUNDS, SELF-EMPLOYED, TAXATION

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- 56 Blackall, B.E. (1982), 'Taxation aspects of lump sum payments to employees on retirement', *Taxation in Australia*, 17, July, 2-16.

'Lump sum and other retirement or severance payments to employees can give rise to difficult tax questions both from the point of view of the payer and the recipient. This paper endeavours to examine from a practical point of view some of the problems associated with such payments, together with comments on planning procedures. Firstly, the paper deals with the deductibility of payments made by an employer, and then considers difficulties which may be encountered by the employee receiving such payments. The paper then covers payments by superannuation funds, payments by private companies and concludes with a brief summary of various machinery provisions.'

#### LUMP SUMS, TAXATION

- 57 Blewett, Neal (1992), 'Future development of retirement income policy-financing and social issues', in Economic Planning Advisory Council, *Economic and Social Consequences of Australia's Ageing Population - Preparing for the 21st Century*, Background Paper No. 23, Office of EPAC, AGPS, Canberra, 15-23.

The author, the Minister for Social Security, is concerned with the need 'to clarify the full range of issues affecting the future of Australia's retirement income system'. Pensions, government allowances, housing, taxation and superannuation provisions all influence the level of retirement incomes. In addition, policies affecting retirement incomes play a role in funding investment for economic growth. The paper looks at the ageing population and points to some policy issues which have been addressed by government policy: the increased rate of savings, primarily through superannuation; the disadvantages of women in retirement income provision; the adequacy of the age pension; indexation of pensions; and better integration of superannuation and the age pension. Future demands on social security are also canvassed, in the light of the ageing population.

#### ADEQUACY, DEMOGRAPHY, HOUSING, PENSIONS, SAVINGS, WOMEN

- 58 Bobbin, Peter (1991), 'Superannuation contributions and deductions', Paper No. 1 in *Current Superannuation Issues*, Continuing Legal Education, Faculty of Law, University of New South Wales, Sydney, 23pp.

This paper approaches the issue of tax deductibility of superannuation contributions from the perspective of various categories of contributors: the employer, the self-employed, unsupported employees, award plan contributors, lowly supported employees and low award plan self-employed. The paper discusses and interprets the law as it affects these contributors.

#### SELF-EMPLOYED, SUPERANNUATION, TAXATION

- 59 Borowski, Allan (1984), 'The role of microanalytic simulation models in the analysis of Australian retirement income policy', *Australian Journal on Ageing*, 3(2), May, 13-15.

'It is the contention of this paper that the development of Australian microanalytic simulation models will offer an especially useful tool for analysing the effects of retirement income policy on the economic situation of the aged. In contrast to the contemporary practice of casting the impacts of policy in aggregate terms, microanalytic simulation generates data that permit addressing the more central questions of the size and distribution of retirement income. This paper describes microanalytic simulation and illustrates its application to the retirement income policy domain.'

#### MEASUREMENT, POLICY

- 60 Borowski, Allan (1984), 'Towards defining an adequate retirement income', *Social Security Journal*, June, 1-10.

There are two major types of institutional arrangements to meet the retirement income needs of older citizens: income support programs, such as the age pension; and earnings replacement programs, such as occupational superannuation schemes. The goals of both are 'the provision of an adequate income in a horizontally and vertically equitable manner that preserves socially valued incentives (most notably thrift, work and honesty), and is target, cost and administratively efficient'. They are each shaped by one of the two objectives that flow from the adequacy goal: the poverty alleviation objective of income support programs and the income protection objective of earnings replacement programs. This paper contends that, while most of the beneficiaries of earnings replacement programs are not poor, 'the adequacy goal of earnings replacement programs for the non-poor aged has received scant attention by policy-makers and policy analysts'.

The paper describes the situation at the time, discusses the 'missing goal' of adequacy for the non-poor aged and the factors involved in setting such a standard. The author suggests that an earnings replacement rate in the range of 65 to 80 per cent of gross pre-retirement earning is required to maintain pre-retirement living standards, for those with retirement benefits above, say, 120 per cent of the adjusted poverty line.

#### ADEQUACY, SUPERANNUATION

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- 61 Borowski, Allan (1987), 'Assets testing and the Australian age pension', in James H. Schulz, Thomas D. Leavitt, Kisang John and Stephen Fournier, *Assessing the Impact of the Supplemental Security Income Asset Test on Poor and Minority Elderly: A Report to the Policy Institute of the American Association of Retired Persons*, Policy Centre on Ageing, Brandeis University, Waltham, MA.

One section of this paper describes the context out of which debates on assets testing in Australia emerged. It then 'traces the rationale for reintroducing an assets test, the nature of the assets test that were considered and the one that was finally adopted, and the impact of the assets test'. The author includes a comment on 'stigma' which 'is not a necessary concomitant of selectivity' where 'coverage is near-universal or where there is a strong body of opinion that it should be universal'.

#### ATTITUDES, MEANS TEST, PENSIONS

- 62 Borowski, Allan (1987), 'The "revolution" in Australian retirement income policy', *Gerontologist*, 27(4), August, 478-86.

'Compared to the United States and many other western countries, Australia's retirement income arrangements are unique'. This article describes the age pension, private pensions, recent changes in both these provisions by the Commonwealth Government and the factors that shaped them. The changes have been profound, embodying a shift 'from viewing the age pension as a social right to a retirement benefit based, in principle, on economic need and, in the case of private pensions, from a severance pay device to a source of retirement income'. Issues of criteria and adequacy remain.

#### PENSIONS, POLICY, SUPERANNUATION

- 63 Borowski, Allan (1988), 'Financial incentives and the individual retirement decision: implications of the American experience for Australia', in *The Decision to Retire*, proceedings of a seminar, Human Resource Centre, La Trobe University, Bundoora, Victoria, 61-7.

The paper discusses the work of American researchers whose findings 'that a significant minority of retirees in America continue to work or return to work after a period in retirement challenges disengagement theory's view of ageing as a disengagement from social life'. It looks at Australian survey evidence on saving and on working retirees which indicate a smaller proportion of older workers than in the US, and examines age pension levels, 'the underground cash economy' and the possible effect of future superannuation schemes on retirement decisions.

#### COMPARISONS, POLICY

- 64 Borowski, Allan (1990), *The Future of Retirement Incomes in Australia*, Lincoln Papers in Gerontology No. 6, Lincoln Gerontology Centre, La Trobe University, Victoria, 23pp.

Population ageing has confronted Australia with the need to adjust its social and economic institutions to the changing balance between the old and the young, resulting in a 'frenetic' pace of change over recent years in retirement income arrangements. 'This paper describes some of these recent changes and considers select issues that flow from them. It begins with an overview of greying Australia and then briefly outlines the major features of Australia's retirement income system. This is followed by an examination of some of the economic consequences of population ageing and the steps that have been taken to adjust Australia's retirement income arrangements in response to these consequences. Among the issues that flow from the recent changes in these arrangements is the central one of income adequacy'. The issue of women and retirement income arrangements is also canvassed.

'The changes in Australia's retirement income arrangements are significant in another respect, viz., ideologically. Government is increasingly facilitating retirement with earnings-related benefits through private schemes but at considerable public expense in the form of tax concessions. Notions of a national superannuation-social insurance type scheme are increasingly irrelevant. The paper argues that targeting the age pension by the means test now enjoys bipartisan support and current emphasis on encouraging superannuation is likely to continue.'

#### ADEQUACY, DEMOGRAPHY, POLICY, WOMEN

- 65 Borowski, Allan (1990), 'Older workers and the work-leisure choice: the causes of early retirement in Australia', *Australian Social Work*, 43(2), June, 27-36.

'Retirement is a relatively recent social phenomenon. Early retirement is an even more recent one. This article traces the emergence of early retirement in Australia. While a host of individual factors may enter into the retirement decision, the intent of this article is to show how complex institutional factors have played an important role in producing high levels of early retirement.' The financial situation of the prospective retiree is most important and the paper looks at the availability of government pensions including invalid and service pensions. It also looks at occupational superannuation, arguing that early retirees use lump sums received to finance the period between retirement and age pension age, and then take a government pension.

#### DOUBLE DIPPING, LUMP SUMS, PENSIONS, SUPERANNUATION

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- 66 Borowski, Allan (1991), 'Australia', in Martin B. Tracy and Fred C. Pampel, eds, *International Handbook on Old-Age Insurance*, Greenwood Press, Connecticut, 1-14.

'The income security arrangements for the elderly in Australia are quite different from those found in other industrialised nations... The system of state support for retirement income in Australia has two major elements: (1) the age pension, and (2) tax concessions to encourage the provision of future retirement income needs through employer-sponsored pension plans. These plans are referred to as "occupational superannuation schemes" and represent the market's contribution to the provision of retirement income.'

This chapter describes Australia's 'Social Security' system: the Age Pension, the additional benefits available to age pensioners and the cost and coverage of the age pension. It then describes the operation of employer-sponsored pensions: coverage, types of superannuation schemes, the forms of benefits, the circumstances of payment, contributions and taxation of both contributions and benefits. Major issues are then identified: the propensity for early retirement; the age of entitlement for age pension; the interaction between the tax system and the income test component of the means test; the adequacy of superannuation in terms of coverage, vesting and preservation; the adequacy of benefit levels; the basis of allocating the age pension; and the interaction of the age pension and occupational superannuation. The latter three issues are discussed.

#### ADEQUACY, COVERAGE, ELIGIBILITY, PENSIONS, POLICY, SUPERANNUATION

- 67 Borowski, Allan (1991), 'The economics and politics of retirement incomes policy in Australia', *International Social Security Review*, 44(1/2), 27-40.

'The process of adjustment to the changing demographic balance in Australia over recent years has resulted in frequent and complex changes in Australia's retirement income arrangements... This article describes some of these recent changes and the factors that triggered them. It also examines what the elderly's reactions to these changes indicate about the nature of the "politics of ageing".' Beginning with an overview of population ageing in Australia, it then briefly outlines the major features of the retirement income system. This is followed by an examination of the factors that triggered the recent changes in retirement income arrangements. It describes the tightening of eligibility for the age pension since the 1980s with such measures as the assets test of 1985, the "deeming" provisions of 1991 and the encouragement of self-provision through the occupational superannuation system. The last section describes the political response of Australia's elderly to these changes.'

#### ATTITUDES, DEEMING, DEMOGRAPHY, MEANS TEST, PENSIONS, SUPERANNUATION

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- 68 Borowski, Allan (1993), 'Retirement income arrangements in six countries in comparative perspective', in *Retirement Income Perspectives*, Background Paper No. 30, Economic Planning Advisory Committee, AGPS, Canberra, 47-89.

'The paper describes the collective retirement income arrangements in six countries, with a view to providing a resource that can be used to overcome some of the analytical limitations that flow from over-reliance on an exclusively Australian frame of reference. While the countries selected are not necessarily representative, they offer suggestive contrasts and useful similarities'. The countries are: Sweden, Britain, Israel, Canada, the United States and Japan. 'The retirement income policies of Australia and the countries considered in the paper have been quite dynamic, although the process of change has essentially been incremental. However, revolutionary changes have occurred at times, with an example being the state moving beyond providing a subsistence income for the aged to contributing to the continuity of living standards after retirement. In almost all of the countries considered this was a post-World War II development. Further, relative to most other countries Australia was a laggard in this regard'. Factors contributing to the dynamism of policy have been social and political attitudes, demographic changes and fluctuations in the economy.

A number of lessons and implications are drawn from the analysis, including the need to consider: the poor both among current retirees and the current poor who will have accumulated little by way of retirement benefit credits under either public or private programs; elderly women who are the majority of the elderly and who face fundamental problems under occupational schemes; the public-private mix of retirement income arrangements which is shifting more and more in the direction of private provision; tax concessions as incentives for private savings; the limitations of private pension coverage and policies mandating that employees be covered by occupational superannuation; benefit adequacy; indexation of age pension benefits; and the realisation that no single approach is perfect.

#### ADEQUACY, PENSIONS, POLICY, SUPERANNUATION, TAXATION, WOMEN

- 69 Borowski, Allan and Elizabeth Ozanne (1993), 'New directions in aging policy in Australia', *Generations*, 17(4), Winter, 55-9.

This paper focuses upon major developments during the previous decade in relation to retirement income and aged care policies. It describes the retirement income system which rests on means-tested public pensions (the age pension and the service pension systems) and various superannuation schemes, mostly occupation-based. It looks at questions of adequacy. Policy initiatives such as the introduction of the superannuation guarantee charge are also examined.

#### ADEQUACY, MEANS TEST, PENSIONS, POLICY, SUPERANNUATION, SGC

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- 70 Borowski, Allan, James H. Schulz and Peter Whiteford (1987), 'Providing adequate retirement income: what role occupational superannuation', *Australian Journal on Ageing*, 6(1), February, 3-13.

The article reviews the development of occupational superannuation in Australia and enumerates some of the events suggesting that a new role for occupational superannuation is emerging. The authors focus on the issue of provision of sufficient income in old age to replace pre-retirement income and thereby maintain the living standards for workers in retirement. 'If superannuation schemes are to achieve this goal of income replacement (or "income protection"), however, we need to have reasonable estimates of the retirement income required to maintain these preretirement living standards'. The authors provide 'for the first time in Australia, such estimates and conclude with a discussion of the issue surrounding occupational superannuation in relation to this income replacement objective, especially potential problems arising out of the integration of the age pension with occupational superannuation schemes'.

#### ADEQUACY, SUPERANNUATION

- 71 Boujos, Jocelyne (1994), 'A discussion of some issues in relation to the taxation of excess benefits paid from a superannuation fund', in David Knox, ed., *Superannuation: Contemporary Issues*, Longman Professional Publishing, Melbourne, 186-91.

This chapter discusses the results of a specific case where 190 members of a superannuation fund had the tax on their superannuation pay outs reduced due to the manner in which they had been made. Discretion resides still with the Insurance and Superannuation Commission under current legislation and the author questions its need.

#### SUPERANNUATION, TAXATION

- 72 Boulton, Alan (1981), 'Superannuation - union challenge for the eighties', *Modern Unionist*, 7(2), April-June, 11,13, 15-17.

'It is a responsibility of unions to ensure that union members are able to maintain a reasonable standard of living in their retirement and that union members and their dependants have financial protection in the event of permanent incapacity or death of the breadwinner'. This article sets out the responsibilities of unions in providing access to superannuation, ensuring that superannuation schemes meet the needs of workers and in taking a more active role. Deficiencies in current arrangements are set out in terms of eligibility, contributions, death and disability cover, vesting and portability, employee participation and the ways in which unions are involved.

#### SUPERANNUATION, UNIONS

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- 73 Bradbury, Bruce and Joan Vipond (1986), 'Poverty and pensions', *Australian Journal on Ageing*, 5(2) May, 13-22.

'It has been argued that it is impossible to measure poverty among elderly people because pension levels and poverty lines are so similar. Whether poverty among them appears to be high or low may depend upon an arbitrary decision as to whether the poverty line should be a dollar a week above or below the age pension. This paper analyses poverty among elderly people suggesting it can be measured by the number who live below an after-housing cost poverty line. That is, their poverty should be measured after they have paid for their housing. This procedure not only avoids some of the measurement problems, it also provides a more realistic test of the level of poverty in Australia than other techniques. It takes into account not only the incomes of families but also their ownership of the main form of wealth - the family home. In general when poverty is measured in this way its incidence is much lower among elderly people than others. An important reason is the widespread ownership of homes among the elderly which reduces their housing outlays. Among a minority of the elderly, the private-sector renters, the incidence of after-housing poverty is, however, very high'.

#### ADEQUACY, HOUSING

- 74 Brotherhood of St Laurence (1994), *Adequacy and Equity in Retirement Income*, Submission to the Strategic Review of Pensions Income and Assets Tests, Social Policy and Research Paper No. 9407, Brotherhood of St Laurence, Melbourne, 11pp.

This paper is the response by the Brotherhood to the Discussion Paper (Barber, Moon and Doolan, q.v.). It is concerned with the adequacy of the pension system, the equity of the system in its interaction with the tax system, minimising poverty traps and the efficiency and effectiveness of the current retirement incomes policy.

#### ADEQUACY, MEANS TEST, PENSIONS, POLICY

- 75 Brotherhood of St Laurence (1994), *Low-income Older Australians: Prospects for the Next 20 Years*, Social Policy and Research Paper No. 9506, Brotherhood of St Laurence, Victoria, 10pp.

The paper argues that so many factors influence the distribution of income among older Australians that it is likely they will cancel out, 'with stable results'. It looks at the factors which could affect income distribution: ageing of the population, the life cycle, job availability, labour force participation, the nature of poverty, home ownership and its non-attainment, the availability of public rental housing, ethnicity and disability. The section on income distribution argues that the Superannuation Guarantee Contribution Scheme is unlikely to 'provide widespread benefits at levels above the pensions means test for at least 20 years or more.' In addition it may provide incentives to those who, under that scheme, will be eligible for part pension,

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'to dissipate their superannuation on such items as the finance of early retirement, the completion of home purchase, or whatever else is compatible with the anti-dissipation regulations in the means-test'.

#### DEMOGRAPHY, DOUBLE DIPPING, HOUSING, IMMIGRANTS, MEANS TEST, PENSIONS, POLICY, SGC

- 76 Brown, Colin (1993), *Tax Expenditures and Measuring the Long Term Costs and Benefits of Retirement Incomes Policy*, Conference Paper 93/1, Retirement Income Modelling Task Force, The Treasury, Canberra, 31pp; also appears in David Knox, ed., *Superannuation: Contemporary Issues*, Longman Professional Publishing, Melbourne, 16-39.

'This paper discusses the tax expenditure concept, the issues involved in measuring the long term costs and benefits of a retirement income policy and the concepts that the Retirement Income Modelling Task Force (RIM) will need to keep in mind in modelling the long term impacts of retirement income policies. This paper reviews the concept of tax expenditures for retirement income policy and criticism of the estimates contained in the annual Tax Expenditures Statement published by the Treasury. The paper seeks to clarify the relevance of the annual tax expenditures estimates as a measure of the annual fiscal impact of the superannuation tax concessions, before going on to develop a measure of the **long term** costs and benefits of retirement incomes policy. The paper then tests the sensitivity of this long term measure to certain key parameters influencing the cost of retirement incomes policy'.

#### MEASUREMENT, POLICY, TAXATION

- 77 Brown, Colin (1994), *The Distribution of Private Sector Superannuation Assets by Gender, Age and Salary of Members*, Conference Paper 94/2, Retirement Income Modelling Task Force, The Treasury, Canberra, 22pp.

'This paper presents the results of the RIM Task Force's study of private sector superannuation fund assets and contributions. The paper outlines the distribution of superannuation assets and contributions categorised by gender, age and salary level of fund members. The paper also compares the average levels of assets and contributions in different types of fund. Such information is not available from official statistical sources. RIM will use this information as the starting point for its models of the accumulation of superannuation assets over the next 50 years.'

#### FUNDS, MEASUREMENT, WOMEN

- 78 Brown, Colin and Anne McDiarmid (1995), *Legislation References and Assumptions for RIMHYPO*, Technical Paper No. 95/1, Retirement Income Modelling (RIM) Task Force, The Treasury, Canberra, 33pp.

RIMHYPO is a model developed by the RIM Task Force. It is 'an individual hypothetical model of the interaction of superannuation accumulations with the tax and social security systems over the lifetimes of hypothetical individuals and couples. That is, it models the accumulation of superannuation benefits, the drawdown of the associated retirement benefits and income streams and all the associated tax and social security interactions for individuals and couples over their lifetimes. It takes account of characteristics such as salary level, work force participation, gender, marital status, home ownership and choices as to benefit type and drawdown patterns. This paper outlines those provisions of the taxation, social security and superannuation law relevant to our modelling and how RIMHYPO has accommodated those provisions.'

## MEASUREMENT

- 79 Brown, Robert M.C., John V. Edstein and Rowan Wall (1988), *Superannuation in Perspective*, Butterworths, Australia, 42pp.

The book consists of four parts, all relating to the Occupational Superannuation Standards Act 1987 which 'establishes a bureaucratic foundation on which to build a structure of regulations for the administration of superannuation funds'. The Act is explained, as are the various regulations. The final part is concerned with investment strategy for superannuation funds.

## SUPERANNUATION

- 80 Brown, Roger (1994), 'Integration of public and private provision for retirement', in Julian Disney and Lynelle Briggs, eds, *Social Security Policy: Issues and Options*, papers from the conference Social Security Policy: The Future, AGPS, Canberra, 143-53.

'Entitlements under Australia's social assistance scheme can be viewed as the outcome of a social compact between current taxpayers and current recipients of income support. They are secured by community consensus rather than by an individual's former contributions.'

'This paper canvasses a range of issues relating to the interaction between public and private provision of retirement income and is, in part, deliberately speculative. What is not speculative is the loss of some measure of community respect for the current operation of the pension targeting mechanisms. Furthermore, over time there will be increasing potential under current arrangements for those receiving large superannuation benefits to dissipate them or arrange their affairs so as to maximise their pension entitlement. This goes against the intent of tax support for

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superannuation of ensuring better retirement incomes and smoothing the burden of providing public support for retirement incomes between generations. It follows that change to the pension targeting mechanisms will be necessary. The independent review of the operation of the pension income and assets test provides an opportunity for the principles of means testing to be articulated in a way that will secure broad public understanding and, hopefully, endorsement, that in turn will help reestablish the legitimacy of our targeted pension system and the relative roles of public and private provision.'

#### DOUBLE DIPPING, MEANS TEST, TAXATION

- 81 Brown, Roger, Ken Oliver and David Sunter (1993), *Better Incomes for Older Australians? An Evaluation of the 1989/90 and Related Changes to the Australian Age Pension*, Policy Research Paper No. 65, Social Policy Division, Department of Social Security, Canberra, 162pp.

This paper was prepared to evaluate the effect of measures introduced as a result of changes in policy announced in *Better Incomes* (Brian Howe, 1989, q.v.) and in the 1989-90 and 1990-91 Budgets. These changes had as a major thrust 'the provision of encouragement and incentives for age pensioners to improve their total income by maximising their private income'. The changes were basically measures to improve basic income adequacy and measures to achieve better use of savings in retirement. The major issues addressed by the evaluation were directly related to those two objectives. The study reports that 'total retirement income adequacy has improved significantly over the period since 1984'. Over that period the pension rate has increased in real terms and also as a percentage of average weekly earnings and the average non-pension income assessed for the total pensioner population has also increased. Findings are reported by age, marital status, home ownership and gender.

'When considering the attitudes of the retired and those approaching retirement to issues of self provision, we noted that ignorance of social security rules and conditions remains a source of concern. In particular there is still widespread ignorance of the operation of the income and assets tests which may inhibit pensioners from maximising their total income. Similarly... knowledge of most of the 1989-90 measures to assist the aged was not widespread'. However, the impact of most of these measures has been effective in achieving their objectives. 'In particular the decision to deem a minimum rate of return on bank deposits has been a stunning success, with substantial benefits flowing to both those pensioners who were induced to improve the rate of return on their deposits and to the Budget.'

#### ADEQUACY, ATTITUDES, DEEMING, MEANS TEST, PENSIONS, POLICY

- 82 Bryce, Quentin (Sex Discrimination Commissioner) (1991), *Women and Superannuation*, Keynote Address to the 'Superwoman' Conference, Occasional Papers from the Sex Discrimination Commission, Number 7, Human Rights and Equal Opportunity Commission, 24pp.

'Superannuation funds have been and persist to be discriminatory in nature. Women are the victims of sex discrimination in superannuation. This paper looks at women's entitlements to the benefits of superannuation as a pay equity issue ... (It) highlights the industry justifications for sex discrimination in superannuation, recent amendments to the provisions in the Sex Discrimination Act 1984 which exempted superannuation funds, and considers options for future non-discriminatory superannuation schemes.'

#### SUPERANNUATION, WOMEN

- 83 Bunn, David (1991), 'An alternative union view', in Evatt Foundation, *The Super Rich and the Super Poor: New Direction in Retirement Incomes Policy*, Proceedings of a Conference, Evatt Foundation, Sydney, 29-31.

This paper puts forward a view of superannuation based on two assumptions. 'Developments in occupational superannuation must not lead us to abandon a commitment to socially provided decent retirement incomes. Governments must fund their accruing liabilities in respect of both the socially provided retirement supports, and their own occupational superannuation commitments.' There is discussion on the taxation of employer contributions to funds, and of fund earnings and the use of the funds so gathered by government.

#### POLICY, SUPERANNUATION, TAXATION

- 84 Bureau of Labour Market Research (1983), *Retired, Unemployed or at Risk: Changes in the Australian Labour Market for Older Workers*, Research Report No. 4, AGPS, Canberra, 150pp.

This report, which is mainly concerned with the position of older workers in the labour market, includes a chapter on income status and another on factors affecting voluntary retirement age. The research indicates that increased superannuation coverage and a greater range of non-labour income sources such as income from rents, dividends and interest are contributory factors. Sections of Chapter 7 deal with social security provisions, changes in the value of pensions, changes in eligibility criteria for pensions, occupational superannuation and the coverage of schemes, the role of service pensions, government policy towards superannuation funds. The report also points to the inequalities in the system.

#### COVERAGE, ELIGIBILITY, POLICY, SUPERANNUATION

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- 85 Business Council of Australia (1988), 'Retirement income policy', *Business Council Bulletin*, 39, December/January, 15-20.

The Business Council (and the Chairman of its Retirement Income Task Force, Robin Gourlay), examines the current situation of retirement income policy in the context of the demographic situation, and the way it integrates with social security and taxation, arguing that 'it should not be subject to change in a way that undermines the plans and expectations of individuals in the workforce on retirement'. It makes recommendations for the encouragement of occupational superannuation as well as in more specific areas such as age of retirement, vesting and presentation.

#### POLICY, SUPERANNUATION

- 86 Business Council of Australia (1989), 'New steps towards a retirement income policy - a ten year reform program', *Business Council Bulletin*, 53, May, 14-15.

The article argues that the Government is 'now in a position to set out a comprehensive retirement income policy', following the 1988 May Statement and several other studies including a set of proposals from the Business Council, the Social Security Issues Paper and a Senate report. 'The Council's firm opinion remains that the broad objective of retirement income policy should be that funded occupational superannuation becomes, over time, the main form of retirement income. The age pension should provide basic support for the needy - a safety net.' It discusses changes to vesting and preservation as well as other broader changes.

#### POLICY, SUPERANNUATION

- 87 Business Council of Australia (1994), 'National savings and superannuation: Council's views on Dr Vince FitzGerald's letter to the Treasurer', *Business Council Bulletin*, 106, March, 25-6.

'The Business Council strongly endorses the basic thrust of the Fitzgerald Report on National Saving... Nevertheless, the Business Council is opposed to any new incentives that are financed through taxation increases imposed on the taxpayer, including the corporate sector.' In particular, it opposes increases in the compulsory employer contributions to superannuation provision.

#### SAVINGS, SGC, TAXATION

- 88 Butterworth, Robert and Jennifer Newton (1985), 'The age pension, and the retirement age', *Social Security Journal*, June, 46-59.

Several factors have resulted in a higher proportion of the population in retirement, and a higher proportion of retirees receiving publicly provided pensions. There have

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been measures to reduce public expenditure, by encouraging people to provide more effectively for their own retirement and by restricting age pension to those most in need of assistance. This paper looks at the setting of the age pension age as a possible way of reducing public expenditure. 'In the final analysis the current age pension entitlement ages can only be seen as historical artefacts. They are, however, artefacts with public finance implications and even small changes have the potential to produce significant changes in expenditure'.

#### ELIGIBILITY, PENSIONS

- 89 Byrnes, Philip (1986), 'Superannuation payouts - state of the game', *Australian Economist*, 2(3), March, 2-4.

'This article looks at the law which currently governs superannuation benefits and puts recent tax announcements in perspective.' 'From the income taxation point of view, the choice is relatively clear. One takes as a cash lump sum those components of the eligible termination payment which are subject to little tax - undeducted contributions (tax-free), concessional payments and the pre-July 1983 payment component (for which tax is payable on five per cent). The issue then becomes what to do with the post-June 1983 component. It is for the individual to decide whether it is beneficial to defer tax payable and lose control of the money or to pay tax at a low rate and take the cash.'

#### SUPERANNUATION, TAXATION

- 90 Carmichael, Jeffrey and Kathleen Plowman (1985), 'Income provision in old age', *Australian Economic Review*, 71(3), Spring, 130-47; a version of the paper, delivered to the Conference on Continuity and Change in Australian Economic Policy, appears as Discussion Paper No. 131, Centre for Economic Policy Research, Australian National University, 73pp.

'Few areas of public policy impinge more directly on individual lifetime welfare than those directed at retirement income. While policy initiatives implemented since the start of the 1970s fall short of major reform, there have nevertheless been substantial changes in the real value of pension, the coverage of pensions, and the tax treatment of various forms of retirement income. The objective of this article is to catalogue these changes in policy, and to identify the combination of political philosophy and socio-economic pressures underlying them. It also analyses some of the economic consequences of these policies and examines the question of national superannuation. The article concludes that, for the present at least, any reforms in the area of retirement income provision seem likely to be limited to the refinement of the status quo.'

Comments on the paper by A.S. Podger and by Michael G. Porter are included.

#### NATIONAL SUPERANNUATION, POLICY, TAXATION

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- 91 Casey, Kevin (1991), 'Superannuation - back to the future', *Taxation in Australia*, 26(1), July, 39-40.

The article discusses some of the changes introduced to the superannuation system by government during recent years. It identifies five areas of concern: complexity, compliance, reasonable benefits, prudential controls and costs. The author recommends further changes to achieve simplification of the system.

#### SUPERANNUATION

- 92 Cass, Bettina (1989), 'Issues for a national retirement incomes policy', *Tax Matters*, 20, February, 1-4.

The paper, a version of an address to the Board of Governors of the Australian Tax Research Foundation, begins by looking at a number of reports which have appeared recently, principally, *The Economic Effects of an Ageing Population* (EPAC, 1988, q.v.) and *Taxation Support of Superannuation in Australia: Its Costs, Equity and Efficacy* (Knox, 1987, q.v.), and reviewing their major findings. The author looks at some issues such as possible explanations for the increased rate of labour force withdrawal, the most appropriate role for superannuation and the most desirable mix of public pension and occupational superannuation arrangements. She then looks at the issues taken up in the sixth Issue Paper of Social Security Review, *Towards a National Retirement Incomes Policy* (Foster, 1988, q.v.) and in two OECD Reports (*Reforming Public Pensions*, 1989, q.v. and *The Social Policy Implications of Ageing Populations*, 1988, q.v.). In the light of models set out there, she draws implications for the Australian system. 'In terms of occupational superannuation, the major concern is for increased coverage, particularly of lower income earners, part-time workers, private sector employees and those, usually women, with an interrupted workforce history'. A second concern is for improved vesting and preservation and a third is 'the need for ongoing scrutiny of equity considerations in the public funding of both private retirement arrangements and age pensions'. Developments since 1983 have resulted in a changed mix of private and public provision of retirement incomes and are described in the paper. The final issue taken up by the author is that of flexible and phased retirement arrangements.

#### COVERAGE, PENSIONS, POLICY, SUPERANNUATION

- 93 Cass, Bettina (1989), 'Towards a retirement incomes policy - challenges confronting Australia: sustainable options', *A.I.J. Journal*, 12(2), June, 10-14.

The article outlines nine principles of an equitable and sustainable incomes policy and goes on to outline and summarise the recommendations made in the Social Security Reviews Issue Paper (Foster, 1988, q.v.).

#### POLICY

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- 94 Castles, Frank (1990), 'Middle-class welfare by the back door?', *Australian Society*, 9(6), June, 33-4.

The article examines the welfare record of the Labor Government during the period before Brian Howe left the Ministry of Social Security. It also looks at the implications of the 'introduction of workplace superannuation negotiated through the wages structure, currently intended to account for 3 per cent of the wages bill and supposed within the next three years to double in size'. Castles argues that workplace superannuation is not part of the welfare system: it is 'neither provided by the government through the income transfer system, nor funded through taxation'. However such superannuation 'is directed at the welfare target group in which poverty is the least problem'. He also claims that 'there is every reason to suppose that at least part of the extra funds will be "clawed back" by increased targetting of the existing pension'. 'Superannuation comes by grace and favour of deals with employers, and the cry may soon echo through the boardrooms of the land that further increases are only possible if taxes fall and other, more visible, parts of the welfare state are cut.'

#### POLICY, SUPERANNUATION, SGC

- 95 Champion, Ron (1989), 'The privatisation of public sector superannuation', *Superfunds*, 115, May, 30-1.

The article, an address to the Victorian Division of the Association of Superannuation Funds of Australia, outlines changes in the provision of superannuation as they affect public sector superannuation, both state and federal. Public sector funds will have to pay new taxes and will, following the May 1988 Economic Statement, come under the Occupational Superannuation Standards Regulations which include conforming to reasonable benefit limits (RBLs). The article also discusses problems which might arise from the changes.

#### SUPERANNUATION, TAXATION

- 96 Channell, Peter (1994), 'The superannuation guarantee charge legislation', *Queensland Law Society Journal*, 24(1), February, 51-9.

The article examines the SGC scheme, looking in particular at the purpose of its introduction, the scope of its application and the obligations of employers under the legislation. It also looks at rulings made by the Commissioner of Taxation interpreting the legislation.

#### SGC, TAXATION

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- 97 Clare, Ross (1994), 'Women and superannuation', in *Women and Superannuation, Selected Seminar Paper*, EPAC Background Paper No. 41, Office of Economic Planning Advisory Council and Office of the Status of Women, AGPS, Canberra, 1-28.

This paper draws on work done within the Office of EPAC dealing with the demographic ageing of the population, associated retirement income issues and the taxation treatment of various personal investments, as well as on some of the themes dealt with in papers presented at a conference. It deals with the economic disadvantage of many women in paid employment; the position of non-waged women; the role and operation of the social security and taxation systems, with particular emphasis on their impact on retirement incomes of women; the treatment of women in superannuation schemes, with particular attention to the operation of the Superannuation Guarantee Charge and the problems faced by women who have paid employment made up of periods of casual and/or part-time employment and multiple employers; and the role of women in the corporate governance of superannuation funds.

The author concludes that superannuation may be a continuing 'problem' for many women. More flexibility and less onerous charges may help, but other issues, for instance, child care arrangements, may have a higher priority. 'It also could be argued that it would be unrealistic to expect that superannuation is a useful product for everyone. For a significant number of individuals reliance on social security benefits or on family might be the most realistic and workable method for economic and social support. For those unable to participate fully in the market economy due to disability or other factors, the best solution might be a non-market solution. Superannuation is not necessarily for everyone, despite what some media campaigns might have suggested.'

COVERAGE, DEMOGRAPHY, FUNDS, SUPERANNUATION, SGC,  
TAXATION, WOMEN

- 98 Clare, Ross and Ashok Tulpulé (1994), *Australia's Ageing Society*, EPAC Background Paper No. 37, Office of the Economic Planning Advisory Council, Canberra, 104pp.

This publication updates and extends the work published as Economic Planning Advisory Council, Council Paper No. 29 (1988, q.v.). This paper 'highlights the potential roles of both government policy and actions by individuals, organisations and enterprises in shaping Australia's future'. It provides an overview of: demographic trends; the impact of migration on population numbers and age structure; implications of ageing for social expenditure; the impact of reform of retirement income arrangements; and issues relating to care of the aged. The section on retirement incomes deals with: the income needs of the retired; current retirement income provision with attention to the adequacy of age pensions; Australia's earnings related scheme in an international perspective; the effects of the

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superannuation guarantee charge (SGC) on government budgets and savings; coverage; taxation; retirement incomes and the SGC. It also looks at some policy concerns, including: charges and costs, coverage, access to superannuation contributions; women and the SGC; adequacy of contributions and lump sum payments.

The paper concludes that: 'The future provision of retirement incomes to Australia's aged population will be less costly to future generations of workers. However, the present generation of workers are paying taxes to fund the age pensions of the present generation of pensioners. Given that they also are contributing through the SGC to the cost of their own retirement incomes, some intergenerational inequities may have been created. The operation of the current and proposed arrangements also highlights equity concerns relating to the relative treatment of males and females, and of individuals with different earnings levels and patterns of labour force involvement.'

ADEQUACY, COVERAGE, DEMOGRAPHY, LUMP SUMS, PENSIONS, SGC, TAXATION, WOMEN

- 99 Coates, A.W. (1982), 'Superannuation, looking ahead - a point of view', *I.P.A. Review*, 36(3), July-September, 79-83.

'When considering the future of retirement benefits in Australia it is necessary to embrace the wide range of influences at work. While there are many improvements which should be made, social pressures, political expediency and the financial impact could continue to limit changes to patchwork modifications to the existing structure of private and public sector retirement and age benefits - unless there is some form of national consensus reached.' This article looks at some considerations relating to national superannuation and occupational superannuation, both government and private.

POLICY, NATIONAL SUPERANNUATION, SUPERANNUATION

- 100 Cochrane, George (1985), 'The super revolution', *Personal Investment*, 3(5), May, 81-106.

The article is a 'guide to superannuation', weighing the benefits of various schemes, describing some specific funds.

FUNDS, SUPERANNUATION

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- 101 Cochrane, George (1988), 'Asset rich but income poor', *Personal Investment*, 6(12), December, 28-31.

The article looks at the Issues Paper *Towards a National Retirement Incomes Policy* (Foster, 1988). 'The most important long-term issue is the interaction between the age pension and superannuation. Right now people can get tax concessions for super benefits, which they take as a lump sum, but which they can dissipate in early retirement before claiming the age pension.' The article suggests that superannuation should be compulsory and be paid in pension form.

#### LUMP SUMS, POLICY

- 102 Collins, D.C. and J.R. Richardson (1984), *Efficiency and Equity Considerations in the Determination of Age Pension Eligibility*, Research Paper No. 294, School of Economic and Financial Studies, Macquarie University, Ryde, NSW, 110pp.

This paper is based upon submissions made to the Panel of Review (F. Gruen, chair) (q.v.) set up by the Australian Government and to the Senate Standing Committee on Social Welfare (q.v.) investigating income and assets tests. It discusses the desirability of the test, equity aspects, efficiency aspects and the appropriate technique for converting assets into income equivalents.

#### ELIGIBILITY, MEANS TEST

- 103 Committee for Economic Development of Australia (CEDA), Strategic Issues Forum (1991), *Australia's Ageing Population: How Are We Preparing?*, CEDA, Melbourne, 103pp.

The Strategic Issues Forum of CEDA have produced this publication, drawing on a number of papers delivered at a series of meetings and on the discussion which took place at those meetings. It discusses the ageing of the population and related government expenditure. 'Pensions in Australia are generally lower than those of other developed countries and one reason given for this is the high level of home ownership. After the recent round of Accord wage negotiations, nearly 80 per cent of workers contribute a minimum of six per cent of salaries into superannuation funds. However, employees need to make a total of 10-12 per cent of their salary into a fund to ensure that the annuity paid at pensionable age is equivalent just to the current aged pension. A limitation on the expansion of superannuation is that only employed persons are currently eligible to participate in private superannuation funds. The major groups disadvantaged by this ruling are non-employed women and part-time workers. The area of annuity versus lump sum benefits is one that requires further examination and life offices need to give greater emphasis to this question.' The publication includes a number of the papers delivered at the meetings; those which relate to retirement income are listed here:

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Management of superannuation funds and tax issues facing the investor	Bruce Cook
A superannuation fund manager's viewpoint	Ian Campbell
How serious is the ageing problem and what can be done about it?	Christabel Young

#### COVERAGE, DEMOGRAPHY, FUNDS, SUPERANNUATION, TAXATION

- 104 Compagnoni, Jennifer (1990), 'Super and the fairer sex', *Charter*, 61(1), February, 14-15.

The article is concerned with the increasing number of women who are confronted with the prospect of funding their own retirement. In particular it examines the possibilities which follow the 1989 Budget and describes some of the advantages of superannuation schemes.

#### POLICY, SUPERANNUATION, WOMEN

- 105 Connolly, Anne (1989), 'Introduction of the old age pension in New South Wales: deserving or undeserving', *Australian Social Work*, 42(3), September, 41-7.

This article examines the issues relating to the introduction of the old age pension in New South Wales in 1900. The arguments concerning the type of pension scheme to be introduced are outlined. These include whether the pension should be contributory or non-contributory and whether it should be a selective or universal provision. 'The pension supported the dominant philosophy of individualism which was evidenced in its selective and residual nature. Whilst it was granted a right, rather than as charity, this was not extended to those destitute aged considered "undeserving". Many of the present day arguments regarding eligibility requirements for welfare recipients are similar to the arguments surrounding the pension's introduction. The extent to which the welfare pensions and benefits should be granted on a selective or universal basis, as a "right" or as "charity" continue to be subjects of debate.'

#### ELIGIBILITY, POLICY

- 106 Cook, Bruce D. (1980), 'Superannuation - directors' benefits and responsibilities', *Australian Director*, 10(4), August, 28-38.

The article looks at trends in superannuation provision since attempts began by the Storemen and Packers' Union to establish an occupational superannuation fund. It considers changes which the government could make to 'get the tax avoiders out of the superannuation area'. It is particularly concerned with superannuation for senior executives and non-executive directors.

#### SUPERANNUATION

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- 107 Cooper, Graeme S. (1991), 'Taxing retirement savings in Australia', in *The Super Tax Rort*, ACTCOSS Occasional Paper, 41-50.

'The discussion of tax and superannuation usually starts at least half-way through the relevant issues, assuming answers to many relevant and highly contentious issues.' This paper identifies a range of issues beginning with the question of whether the government should intervene using deliberate strategies to encourage individuals to save during their working life for their financial needs during their retirement. The subsequent issues then relate to the manner and extent of the intervention, and the interaction of those interventions, through the tax system, with the social security system. The paper then identifies tax strategies and describes the manner in which Australia's tax subsidies work. As a result of the operation of these subsidies, the author argues that Australia has an 'archaic occupational benefits system which has been reshaped and forced to serve as the means of implementing a savings regime' which he claims is 'a mess', being inequitable, and still subject to economic distortions and still possibly 'leaving the underlying savings rate undisturbed'.

The paper concludes with proposals for 'clearing up the mess': removing retirement income policy from the tax system; changing conditions of concessions for contributions; changing provisions of fund earning; and changing the ways in which benefits are treated.

#### POLICY, SAVINGS, SUPERANNUATION, TAXATION

- 108 Corbett, John (1989), 'All this - and a pension too', *JASSA*, 1, March, 16-19, 35.

'Just what has been achieved, over the four decades since the Second World War, in regard to equitable retirement income and the reduction of overall government costs for social security benefits for the aged? Very little it seems. The present mess could be cleaned up by granting age pensions to all over the age of 65 and by completely removing tax concessions for superannuation funds.' This paper looks at the present situation and makes suggestions for changes, along with an assessment of the advantages of the proposed changes.

#### PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 109 Cordiner, Jeff (1983), 'Proposed changes to the taxation treatment of superannuation benefits', *Social Security Journal*, December, 66-8.

'In analysing retirement income policy, both direct and indirect forms of government assistance need to be taken into consideration. In addition to the direct provision of income support for aged persons through age and associated pensions, substantial indirect support for retirement income provisions is provided by the government through a range of tax expenditures for occupational superannuation. The most visible of these is the concessional tax treatment of superannuation lump sums. This

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article provides some background information on the proposed changes to the taxation treatment of lump sum superannuation payments and briefly summarises the changes themselves.' These changes are designed to redress the situation where superannuation was viewed 'as a form of concessional tax, deferred pay' which could be used for purposes other than provision of post-retirement income, and, in some cases as an 'opportunity (through divestment or investment of certain types) for recipients of lump sums to obtain age pension entitlement'. The new arrangements are designed, by the application of taxation, to encourage the conversion of lump sums into pensions or approved annuities.

#### LUMP SUMS, POLICY, SUPERANNUATION, TAXATION

- 110 Council on the Ageing (Australia) (1994), *The Assessment of Unrealised Capital Growth on Shares and Managed Investments in the Income Test*, submission to Ageing Agendas, Council on the Ageing (Australia), Melbourne, 12pp+.

This submission claims that the proposed treatment of unrealised capital gains and losses on listed securities as income under the Social Security Act 191 is unfair to pensioners who favour investment in equities.

#### INVESTMENT, MEANS TEST

- 111 Cox, Eva (1994), 'Super for unwaged and low waged women' in *Women and Superannuation, Selected Seminar Papers*, EPAC Background Paper No. 41, Office of Economic Planning Advisory Council and Office of the Status of Women, AGPS, Canberra, 29-48.

This paper begins with the premise that superannuation 'is generally a poor savings vehicle for low income earners and those who have time out of paid work. As this is a pattern most often shared by women, superannuation presents particular difficulties for them'. It deals with the tax treatment of contributions (which 'is worth most to high income earners as they receive greater income tax concessions from the low flat 15 per cent tax rate'; the problems for low wage earners who must lock their money away in superannuation although they are likely to need access to their savings 'for both normal life cycle needs and crises'; and the effect of fees and charges on the small payments involved. The paper makes a number of recommendations in the areas of taxation, choice of fund, return of contributions to contributors and the establishment of a government owned central fund to deal with small amounts and transitory workers.

#### COVERAGE, SAVINGS, SUPERANNUATION, TAXATION, WOMEN

- 112 Cox, Eva and Helen Leonard (1992), *Superfudge or Subterfuge? Do Women Need Superannuation? Options for Equity*, Women's Economic Think Tank (WETTANK), Sydney, 18pp+.

The paper was produced 'to provide the necessary information for serious discussion of retirement'. It comments upon the proposals put forward in a government information paper issued in December 1991 and on the introduction of a Superannuation Guarantee levy. The authors argue that 'there are serious flaws in the government's basic assumption', and they recommend some basic changes. They also put forward some alternative proposals which take note of the specific position of women in relation to superannuation. These take into consideration women's labour force participation patterns, the tax treatment of contributions, and what should be done about superannuation in the case of property settlements.

Attached to the paper is a submission to the Australian Law Reform Commission on Collective Investment Schemes from the Women's Economic Think Tank.

#### DIVORCE, SUPERANNUATION, SGC, WOMEN

- 113 Cox, Eva and Catherine Myson (1995), 'Not a super deal for women', *Current Affairs Bulletin*, 72(4), December-January 1996, 4-11.

'One of the least effective policy initiatives of the Labor government has been its attempt to deal with retirement income. The problem has come from the introduction of an appallingly regressive compulsory superannuation scheme, and subsequent efforts to deal with the problem. The article examines the problems faced by low income earners now compulsorily saving in a scheme which has been devised for high income earners employed without a break for 40 years.' It is specifically written about women and superannuation, beginning by defining terms used and putting the arguments in favour of superannuation. It then discusses contributions, some of the problems envisaged, tax and administrative costs, women's workforce patterns, problems associated with changing jobs, small accounts and the general problems of women using superannuation as a savings vehicle. Issues related to understanding the way superannuation works and the need for education are discussed. The article also recommends some courses of action for women, including becoming involved in union fund management.

#### POLICY, SUPERANNUATION, SGC, WOMEN

- 114 Creedy, John and Richard Disney (1989), 'The Australian pension scheme: some basic analytics', *Economic Record*, 65(191), December, 357-68.

'The Australian State pension scheme is unusual by international standards. The pension is financed out of general revenue, while benefits are flat-rate, taxable and means-tested with a 50 per cent taper.' The scheme has a high 'poverty reduction efficiency' but there is 'tension between the adequacy of the benefit levels at the

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very low end of the income distribution and the high marginal tax rates implied by means-testing'. 'This paper therefore considers some basic analytics of the Australian pension scheme; in particular the way it interacts with the income tax system. Emphasis is placed on the effect of means-testing on the incentive to save faced by individuals.' Models of saving behaviour and asset accumulation are developed and outcomes discussed. The paper is intended to contribute to the debate about the structure of effective tax rates consequent upon the interaction of the income tax and pension schemes.

#### ADEQUACY, MEANS TEST, PENSIONS, POLICY, SAVINGS, TAXATION

- 115 Creedy, John and Richard Disney (1990), 'Pension schemes and incentives: case studies from Australia and the United Kingdom', *Australian Economic Review*, 89, 23-32.

'The use of selective benefits, directed to those considered in most need, has a high "poverty reduction efficiency". But selectivity inevitably produces non-linearities in the budget constraints facing individuals, which may have incentive effects. The design of a tax and transfer scheme requires these two aspects to be carefully balanced. This article considers the issues in the context of means-testing within the Australian and UK State pension schemes. In the Australian case, the main question concerns the incentive to save, while in the UK scheme the "earnings rule" presents a strong disincentive to work beyond the pension age.'

#### COMPARISONS, MEANS TEST, PENSIONS

- 116 Creedy, John and Margaret Morgan (1992), 'Financing pensions with population ageing: some policy choices', in Peter Saunders and Diana Encel, eds, *Social Policy in Australia: Options for the 1990s, Proceedings of a National Social Policy Conference, Sydney, 3-5 July 1991, Volume 2: Contributed Papers*, SPRC Reports and Proceedings No. 97, Social Policy Research Centre, University of New South Wales, Sydney, 11-22.

'This paper examines policy implications of ageing populations in alternative pension and tax structures. Two major types of schemes are compared. The first has a means-tested, taxable state pension which is financed only from income taxation. This may be regarded as a stylised version of the Australian scheme... The second structure has a basic taxable pension which is not means-tested. This pension is financed using a combination of income taxation and a consumption tax... along with special contributions which are related to gross earnings...' The analysis is carried out using computer programs which allow a vast range of alternative policies to be examined.

'If the aim of a state pension policy is seen to be the transfer from the working population of a specified real amount to every retired person, then it is obvious that increased dependency will raise problems. However, the purpose of a state pension

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scheme is usually to ensure a basic minimum standard of living for pensioners. When pensions are taxable, and when it is recognised that higher dependency ratios have been associated with higher average taxable incomes (from other sources) of pensioners, then the problems are no longer seen as being so severe. Thus, the relatively poorer pensioners are supported by transfers not only from the working population but also from the relatively richer pensioners. The extreme method of concentrating state pensions is to use an income-test, which may usefully be regarded as a special kind of pension tax.'

#### MEANS TEST, MEASUREMENT, PENSIONS, POLICY, TAXATION

- 117 Creedy, John and Penelope S. Taylor (1993), 'Population ageing and social expenditure in Australia', *Australian Economic Review*, 103(3), July-September, 56-68.

'Projections of the social expenditure to GDP ratio indicate the extent of the "burden" of population ageing on future workers and have been used by governments to aid policy decisions in such areas as immigration and superannuation. This article shows that the social expenditure to GDP ratio is heavily dependent on assumptions made about real spending growth, productivity growth, unemployment and participation rates. It produces a framework that makes the assumptions underlying the projections clear and enables the results of the changing assumptions be easily compared. The projected ratios are significantly higher than those obtained in previous Australian studies.'

#### DEMOGRAPHY, IMMIGRATION, MEASUREMENT, POLICY, SUPERANNUATION

- 118 Crompton, Cathy (1986), *Too Old for a Job, Too Young for a Pension? Income Support for Older People Out of Work*, Issues Paper No. 2, Social Security Review, Department of Social Security, AGPS, Canberra, 69pp.

'This paper is primarily about older people (arbitrarily defined as aged 55 to age pension age) who now depend on unemployment benefit. It examines the criticisms that have been made of the appropriateness of this form of income support for older people near retirement age and looks at some different approaches that could be taken.'

#### ELIGIBILITY, PENSIONS

- 119 Cumming, Mary Anne and Peter Whiteford (1983), 'Retirement incomes and superannuation coverage in Australia', *Social Security Journal*, December, 59-65.

'The role of occupational superannuation has been an important component in public debate about government policies for income security for the aged in recent years. The issue achieved new prominence with the announcement by the Treasurer in the Economic Statement in May 1983 of changes to arrangements for the taxation of lump sum superannuation and kindred payments. This article outlines some new information on this topic that has recently become available from the Income and Housing Survey conducted in 1982 by the Australian Bureau of Statistics.'

Tables in the article present data on superannuation coverage of people working 20 hours a week or more in their main job by age and sex, by status of worker, by gross weekly earnings, and by superannuation and endowment policy coverage. They also present data on payments from the schemes, both regular and in the form of lump sums. The authors discuss the fact that, as indicated in the data, 'of all persons aged 60 or more who had received a lump sum, some 65 per cent have government cash benefits as their principal source of income', presenting some possible explanations.

#### COVERAGE, LUMP SUMS, PENSIONS, SUPERANNUATION

- 120 Davidson, Peter (1995), *Super, Saving and Inequality*, ACOSS Paper No. 71, Australian Council of Social Service, Sydney, 38pp.

'The paper examines the impact of the government's superannuation proposals on reducing inequalities in Australia and improving national saving over the long term. The government's retirement income objective is to ensure that all wage earners receive at least 40-50 per cent of their previous income. The paper questions the equity and appropriateness of this policy objective, and questions the magnitude of the contributions made by the superannuation guarantee to long-term national saving, compared with alternative policy options.' The author argues that the models used in the process of policy formulation are not able to provide information at the level of detail required. He also argues that 'it is likely that many low and middle income earners would be better off, in the short and long term, if they received wage increases in lieu of a least part of the proposed compulsory employer superannuation contributions'. Some recommendations are made, based on changes to the present three tier retirement income structure of age pension, compulsory superannuation and voluntary superannuation supported by tax concessions.

An appendix, taken from the ACOSS Budget Priorities Statement 1995-96 (ACOSS Paper No. 68) sets out current ACOSS policy on the subject of superannuation.

#### POLICY, SUPERANNUATION, SGC

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- 121 Davis, Kevin and Ian Harper, eds (1992), *Superannuation and the Australian Financial System*, Allen and Unwin, Sydney, 182pp.

The papers collected here were presented to the Third Melbourne Money and Finance Conference in 1991. They are, following an overview by the editors:

Superannuation: a policy perspective	Ian Robinson (q.v.)
The role of superannuation in the financial sector and in aggregate saving: a review of recent trends	Malcolm Edey, Robin Foster and Ian Macfarlane (q.v.)
Banks, super funds and the future of financial intermediation	Vince Fitzgerald and Ian Harper
Capital formation friction	John Thom
The objectives and distribution of the taxation support provided to occupational superannuation in Australia	David M. Knox (q.v.)
Superannuation and the financing of risky investment	Robert Jones
The potential impact of a more rational tax system on the growth of superannuation	Daryl Dixon
Capital protection and system risk	David Lee
Financial deregulation and the superannuation boom: a crisis in Australian financial services regulations?	Paul Klumpes
Customised investment strategies for accumulations superannuation	Geoffrey Kingston, John Piggott and Hazel Bateman
Long-term goals and short-term horizons: conflicts in superannuation policy	Kevin Davis and Tim Hughes (q.v.)

'While the focus of the papers in this volume is restricted to financial issues, the scope of these alone should be sufficient to convince the thoughtful reader of the magnitude of the "social engineering" project the government has undertaken.'

FUNDS, INVESTMENT, POLICY, SAVINGS, SUPERANNUATION

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- 122 Davis, Kevin and Tim Hughes (1992), 'Long-term goals and short-term horizons: conflicts in superannuation policy', in Kevin Davis and Ian Harper, eds, *Superannuation and the Australian Financial System*, Allen and Unwin, Sydney, 157-75.

'This chapter points out that a contributory superannuation scheme can only deliver the desired retirement income results if relatively high contribution rates and real returns on funds invested are maintained over long contribution periods. Currently, contribution rates and time to retirement are too low for most Australian workers to achieve desired retirement incomes from the recently introduced changes.' This leads funds to 'portfolio selection strategies which sacrifice higher expected returns because of the short-term risk involved'. This chapter identifies factors which give rise to this 'risk-averse focus', and suggests ways to solve the problem.

#### POLICY, SUPERANNUATION

- 123 Davis, Noel (1982), 'Superannuation: the Commissioners' indiscretion', *Taxation in Australia*, 17, November, 378-88.

The article comments upon changes announced by the Commissioner of Taxation in August 1981 and the subsequent retractions in May 1982, because of the discriminatory effect of the original announcement which made advantageous provisions available only to some employers. The author argues that 'there is much to be said for deductibility of superannuation contributions being determined by parliament rather than administrative discretion'.

#### SUPERANNUATION, TAXATION

- 124 Davis, Noel (1988), 'Income tax amendments - superannuation', *Taxation in Australia*, 22, March, 474-8.

Amendments to the Income Tax Legislation on superannuation altered the way in which superannuation funds must be administered to obtain tax concessions for both contributions to, and the income of those funds. This article summarises the amendments to the Income Tax Assessment Act and the new occupational Superannuation Standards Act.

#### SUPERANNUATION, TAXATION

- 125 Davis, Noel (1993), 'Superannuation: the new direct controls on trustees', *Taxation in Australia*, 28(4), October, 201-3.

The article describes changes in the law regarding trust deeds for superannuation funds.

#### FUNDS

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- 126 Davis, Noel (1994), 'Superannuation: the new role of auditors and actuaries', *Taxation in Australia*, 28(9), April, 497-8.

Obligations, offences and penalties for trustees and their advisers in relation to prescribed superannuation funds and trusts are described and discussed.

## FUNDS

- 127 Dawkins, John (1992), *Security in Retirement: Planning for Tomorrow Today*, Statement by the Treasurer, AGPS, Canberra, 84pp.

'This statement on superannuation focuses on major features of the Government's retirement income policy. It explains and illustrates the urgent need for much greater self-provision to be achieved through superannuation saving that is coupled to clearly understood retirement income targets... To meet these goals, the statement describes how the Government's retirement incomes framework now combines three central tiers. The age pension and social security system interacts with both compulsory and voluntary superannuation arrangements, with the compulsory tier of the Superannuation Guarantee Charge (SGC) operating largely through the existing tax-assisted arrangements. The statement reaffirms the Government's commitment, on the grounds of equity and social justice, to assisting lower income workers to live better in retirement through a combination of the age pension supplemented with tax-assisted superannuation. To this end, it explains how the SGC will reinforce the progressivity of the Government's overall retirement incomes system.

In relation to the compulsory tier, the statement sets out the operation, rationale and economic impacts of the SGC. It explains how the SGC has been designed to match the expected economic conditions of the 1990s, so that our employment and inflation performance will not be jeopardised; and it explains the important contribution the SGC will make to national saving, hence easing the external savings constraint on our economic growth potential.

Lastly, the statement announces important initiatives to improve the voluntary tier of superannuation arrangements. The current complex arrangements providing concessions for employee contribution to superannuation funds are replaced with a simpler rebate directed at lower income employees. The limits and other rules for superannuation concessions are made fairer, simpler and more generous for most people. And the taxation of a range of superannuation benefits is simplified and improved without any significant harm to their value.'

## PENSIONS, POLICY, SUPERANNUATION, SGC

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- 128 Day, Alice T. (1984), *Women and the Challenge of Long Life*, Research Report, National Women's Advisory Council, AGPS, Canberra, 72pp.

This report is based on the results of a survey of women over 60. One section of the survey dealt with adequacy of income; the results show that some women have difficulty managing life on the pension.

#### ADEQUACY, PENSIONS, WOMEN

- 129 Defence Force Retirement and Death Benefits Review Board (1990), *Report on the Defence Force Retirement and Death Benefit Scheme Review Committee*, AGPS, Canberra, 276pp.

The Review Board found that the current scheme is not appropriate for the majority of members of the Defence Forces and recommended a totally new scheme providing superannuation for new contributors and for existing members who wish to transfer to it. The Report includes recommendations for provision of the new Military Superannuation Benefits Scheme.

#### POLICY, SUPERANNUATION

- 130 Department of Employment and Industrial Relations, Women's Bureau (1985), *Discrimination and Superannuation*, Submission to the Human Rights Commission Inquiry into Discrimination and Superannuation, AGPS, Canberra, 13pp+; prepared by Peter Rawlinson, Susan Allen and Lynne Gallagher with supervision by Susan Mackintosh.

'Most of the discriminatory aspects of superannuation schemes are based on a view of women's participation in the labour force that may have been appropriate in the past, but that no longer accords with reality.' 'It will be the contention of this Submission that the changed labour force status of women makes discrimination against women in superannuation schemes, whether it be in eligibility conditions, the level of contributions or the provision of benefits, no longer appropriate.' 'The Submission analyses indirect and direct discrimination in the provision of superannuation. Each of the major direct discriminatory practices: eligibility; contributions; retirement age/benefit; disability benefits; death benefits; resignation benefits; and trustees powers are discussed and recommendations made.' The use of actuarial statistics is also discussed.

#### COVERAGE, SUPERANNUATION, WOMEN

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- 131 Department of Employment and Industrial Relations, Women's Bureau (1985), *Women and Existing Retirement Income Systems*, Submission to the Senate Standing Committee on Social Welfare, AGPS, Canberra, 32pp; prepared by Robert Pettit with supervision by Dianne Bolton.

'A study concerned with adequacy and equity of retirement income systems for women cannot divorce itself from issues related to the structure of the female labour market and policies which affect women's status in that content.' The submission looks at pension and superannuation schemes in relation to coverage. It concludes that marital status is not an appropriate basis for determining women's social security entitlements, and makes recommendations for the extension of existing superannuation schemes to a wider occupational spread and the development over the long term of a national superannuation scheme. It recommends a level of income 'above the poverty line which could be set at 30 per cent of average weekly earnings'.

#### ADEQUACY, COVERAGE, ELIGIBILITY, PENSIONS, POLICY, SUPERANNUATION

- 132 Department of Finance (1989), *Reform of Commonwealth Superannuation*, Policy Statement by Senator Peter Walsh, Minister for Finance, AGPS, Canberra, 181pp.

This Policy Statement gives a broad outline of the Government's proposals for a new Commonwealth Superannuation Scheme to come into effect from 1 July 1990, following the passage of foreshadowed legislation.

#### POLICY, SUPERANNUATION

- 133 Department of Science and Technology (1980), 'Superannuation - an issue of concern', *Work and People*, 6(3), 42-4.

The article is an overview of the proceedings of a conference, 'Unions and Superannuation - A Challenge to Management'. It describes the Storemen and Packers' Union plan to provide its members with an Accumulation Superannuation Scheme 'as an alternative to those schemes operated by private firms. This initiative has brought to the forefront issues which originally lay within the managerial sphere'. Employers are not in favour of the scheme, partly because of the issue of control over employers' contributions, but industrial relations issues were also involved. 'A point of agreement was that there was a place for a National Superannuation Scheme administered by the Government - which would overcome the problem of portability.'

#### NATIONAL SUPERANNUATION, POLICY, SUPERANNUATION, UNIONS

- 134 Department of Social Security (1983), *Developments in Social Security: A Compendium of Legislative Changes Since 1908*, Research Paper No. 20, Development Division, Research and Statistics Branch, Department of Social Security, Canberra, 160pp.

'This compendium provides in a single document a listing of legislative changes in social security from the passage of the first Commonwealth legislation in 1908 to the end of 1982.' The first section deals with Age and Invalid Pension. It begins with a description of the initial provisions and follows with all the changes in provisions from 1909 to 1983.

#### PENSIONS, POLICY

- 135 Department of Social Security (1984), *Retirement Income Provisions Overseas*, Research Paper No. 26, Research and Statistics Branch, Development Division, Department of Social Security, Canberra, 162pp. Authors: Bob Dapre, Michael Fuery, Neil McVicar, Pamela Roberts, Carol Keens and Hazel Bancroft.

'The structure of Australia's retirement income provisions differs markedly from those which prevail in most other developed countries.' Most overseas systems are: 'financed, wholly or in part by specific employer and/or employee contributions; provide some earnings-related benefits; and do not impose general means or income tests. Australia's system, by contrast, is non-contributory, flat-rate and income tested'. However, the issues related to Australian income security for the aged are broadly similar to those elsewhere. 'The economic recession of the last decade or so has restructured revenue growth while increasing social expenditure overall, particularly in respect of the unemployed. At the same time, the proportion of the aged in the population has been increasing with the result that doubts have arisen as to the future financial viability of existing retirement income provisions.'

This paper describes the provision of retirement incomes in 15 countries including Australia, with regard to several issues including expenditure as a percentage of GDP, earnings replacement rates, coverage, contribution, benefits including survivors' benefits and provision of social assistance.

#### COMPARISONS, COVERAGE, POLICY

- 136 Department of Social Security (1992), *Later Life Provision: A Survey of Older People's Retirement Income Decisions*, Policy Research Paper No. 63, Social Policy Division, Department of Social Security, Canberra, 69pp.

'This report summarises the results of the Later Life Provision (LLP) survey conducted during June-August 1991 by Reark Research on behalf of the Retirement Income Section of the Department of Social Security (DSS). The LLP survey was designed for DSS by Artcraft Research to investigate a broad range of issues and factors affecting the decisions of older persons regarding the financial provision they

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had made for their later life.' The methodology is described. Findings are reported in terms of a number of characteristics for pensioners, elderly non-pensioners, early retirees and pre-retirees, according to retirement intentions. Variables include: region, current income, income sources, contributions to schemes, lump sum proceeds, knowledge of pension entitlements and recent Federal Government pension/superannuation provisions, sources advice and expectations about the future.

#### ATTITUDES, DEMOGRAPHY

- 137 Department of Veterans' Affairs (1994), *Guide to the Assessment of Rates of Veterans' Pensions*, AGPS, Canberra, 142pp.

This is a guide to the assessment of amounts payable to veterans under the *Veterans' Entitlement Act 1986*.

#### ELIGIBILITY

- 138 Dickins, Michael (1989), *Feather Your Nest*, Magistra, Melbourne, 161pp.

'This book is for those conservative-minded investors who need to know more about investment. They may be approaching retirement, or have already retired, and need to understand the impact of the Federal Government's tax and pension changes on their personal retirement savings.' The author discusses the increasing importance of annuities as part of investment income.

#### ANNUITIES, INVESTMENT, SAVINGS, TAXATION

- 139 Dilnot, Andrew and Paul Johnson (1993), *The Taxation of Private Pensions*, Institute for Fiscal Studies, London, 70pp.

'Private pensions are much the most significant financial asset held by the personal sector. Their importance has grown steadily, and seems likely to continue to do so. The taxation of private pensions differs from that of virtually all other major assets. In this report we seek to understand why this should be so, how much this treatment might be costing the exchequer and how, if at all, it should be reformed.' The first chapter examines the principles behind the taxation of private pensions and the second looks at how the taxation of private pensions in a number of countries, including Australia, relates to these principles. Following chapters discuss the objectives for taxation of the pensions, the possibility of raising extra revenue by changing the tax system, the UK tax system, the measurement of tax expenditures and the tax costs of pension relief. These are calculated using models and conclusions are drawn.

#### COMPARISONS, MEASUREMENT, SUPERANNUATION, TAXATION

- 140 Disney, Julian (1988), *Aspects of Retirement Income Policy in Australia*, paper delivered to 27th National Conference of the Association of Superannuation Funds of Australia, Sydney, ACOSS Paper No. 21, Australian Council of Social Service, Sydney, 11pp.

This paper concentrates on ways in which the current system of superannuation and retirement income policy could be improved, 'rather than on proposing its replacement with a fundamentally different system'. This is not because the current system is necessarily the best basis on which to build; the author does make comments about some systems which merit further consideration (a universal pension and a compulsory superannuation scheme). The main part of the paper deals with current provisions and discusses some of the major weaknesses therein. The areas dealt with are firstly age pensions: the basic rate, means test, age limits, the pensioner tax rebate, unemployment prior to pension age and the need for government to provide advice and assistance to pensioners and also to monitor commercial advisors; and secondly superannuation with regard to the advantages conferred by the current system on the wealthy by the operation of taxation concessions. The author recommends changes to the limits on total benefits, limits on lump sums, vesting and preservation, coverage and the provisions made for pre-1983 arrangements.

#### MEANS TEST, PENSIONS, SUPERANNUATION, TAXATION

- 141 Disney, Julian (1988), 'Retirement income - high on the ACOSS agenda', *Impact*, 18(7), October, 2.

The article outlines the process to be adopted by ACOSS in the preparation for consultations about the Social Security Review's paper on retirement income. It also puts forward some considerations to be taken into account: the weaknesses in the present system as well as some suggestions for improvement.

#### POLICY

- 142 Dixon, Daryl (1985), 'Costs and benefits of occupational superannuation tax concessions', *Economic Papers*, 4(4), December, 38-54.

'The past decade has seen very significant progress in the understanding of the nature and extent of the largely hidden government expenditures which benefit employees who are members of employer-sponsored occupational superannuation schemes. There is still considerable debate about the magnitude of the taxation concessions... The argument is largely about the magnitude of the concessions given the uncertainty about the counterfactual position. That is, what would be the situation if the taxation concessions did not exist. Another strand of criticism has been that concentration on the costs of the concessions detracts from the benefits which are believed... to accrue from the concessions.'

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This paper examines the costs and benefits of the tax expenditures. 'It first discusses methodological issues. It then presents the results of basic financial modelling including the "break-even" rates of taxation on benefits which would be necessary to recoup all the tax expenditures. This includes **unfunded** superannuation schemes which have largely been ignored in published costings. The paper then presents an overview relevant to policy formulation.' 'The most significant conclusion is that the total cost of the tax expenditures provided to occupational superannuation is very large, particularly in respect of individuals subject to high marginal rates of tax during their working life.'

#### SUPERANNUATION, TAXATION

- 143 Dixon, Daryl (1985), 'Finance of old age', *A.I.I Journal*, 8(4), November, 15-22.

This paper is an overview of the papers presented at a Conference on 'Finance of Old Age', held at the Australian National University (Mendelsohn, 1986, q.v.). It attempts to summarise the major recurring themes of the conference. These are: demography, retirement age, sources of retirement income, age pension arrangements and services. More particularly it deals with issues in occupational superannuation: coverage, benefit levels, government superannuation, cost of concessions and union involvement. Other issues are related to general direction and possibilities: national superannuation coverage, vesting and preservation, form of benefits and interaction with taxation.

#### COVERAGE, DEMOGRAPHY, ELIGIBILITY, NATIONAL SUPERANNUATION, PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 144 Dixon, Daryl A. (1986), 'Suggested refinements of the Treasury costings of the occupational superannuation tax expenditures', *Australian Tax Forum*, 3(2), 223-32.

'This paper is organised in four sections. The first examines the basis of the Treasury estimates of expenditures and assumptions contained therein and the contentions of the various critics. The second section covers problem areas concerning unfunded schemes and the costs of deferral... The third section considers the present treatment of revenues received, while the final section presents an overview and discussion of policy implications.'

The issue is important because 'even though the Australian population is steadily ageing, the workforce is currently at least three times as large as the retired population. Thus, even if the government were to ultimately break-even via future benefits from its tax expenditures in respect of the average superannuation fund member, current outlays would still exceed current year revenues by a substantial margin, and show substantial current year net outlays. Clearly the annual cost

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estimates must be accompanied by longer term cost-benefit analyses before any conclusions can be drawn about whether the tax expenditures are warranted or not.'

#### POLICY, SUPERANNUATION, TAXATION

- 145 Dixon, Daryl (1986), 'Superannuation and social welfare outlays', *Economic Papers*, 5(4), December, 35-52.

'This paper is organised in the form of general propositions capable of economic and/or financial analysis. Supporting data are provided where relevant and available. However, despite the massive outlays and financial magnitudes involved, superannuation data are... highly deficient.' The propositions examined are: 1) 'Superannuation offers the potential to offer the prospect of higher levels of income maintenance in retirement than would be possible by direct government support with some total cost to revenue'; 2) 'The terms of trade change dramatically in favour of the superannuation option when allowance is made for the possibility of needs-based welfare policies'; 3) 'While prescriptions of a counterfactual situation is not easy, it is not possible to envisage that the current Australian taxation system would be sustainable if all tax concessions to occupational superannuation were to be removed'; 4) 'Cost-benefit analysis suggests that present superannuation arrangements are not cost effective for government and that the subsidy increases with the income of the benefit recipient'; 5) 'The tax-exempt status of superannuation funds may also pose problems for revenue collections because of the possibilities of tax arbitrage in dealings with taxpayers.'

The paper concludes by presenting an 'illustrative theoretical model of a cost-effective equitable system of occupational superannuation', which does not envisage the encouragement of other forms of private savings. This is based on the universal provision of a Retirement Savings Credit (RSC) which would increase the opportunity cost of not having superannuation coverage in a cost-effective and equitable manner, emphasising vested benefits and limiting the maximum subsidy for superannuation. 'The device would also close off the possibility for access to both superannuation and social security benefits.'

#### DOUBLE DIPPING, POLICY, SUPERANNUATION, TAXATION

- 146 Dixon, Daryl (1990), *An Independent Guide to the New Commonwealth Super Scheme*, Australian Investment Library, Information Australia Group, Melbourne, 83pp.

The book was written 'to assist public servants choose whether or not to join the new Commonwealth Superannuation Scheme'.

#### SUPERANNUATION

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- 147 Dixon, Daryl (1990), *Gaining Most Advantage From Your Remuneration Package*, Premier's Department, New South Wales and New South Wales Superannuation Office, Sydney, 81pp.

This booklet was prepared to explain the flexible remuneration package for Chief and Senior Executives, emphasising the importance of superannuation planning.

#### SUPERANNUATION

- 148 Dixon, Daryl (1991), 'The Hewson package and superannuation policy' in Evatt Foundation, *The Super Rich and the Super Poor: New Directions in Retirement Incomes Policy*, proceedings of a conference, Evatt Foundation, Sydney, 1-4.

The paper contrasts the coalition and government retirement incomes policies with regard to equity, vesting, simplicity, lump sum tax, fund management issues, the cap on lump sums, preservation and cost to revenue.

#### LUMP SUMS, POLICY, SUPERANNUATION

- 149 Dixon, Daryl (1993), *Superannuation: The Costs and Benefits*, Brotherhood of St Laurence and Public Sector Management Institute, Monash University, 53pp.

The purpose of this paper 'is to review and analyse the key aspects of superannuation policy from the viewpoint of their suitability for the 1990s and later years'. It has been undertaken because the size of the superannuation industry make its health and growth crucial to the performance of the Australian economy. The government is looking to superannuation to provide a boost to national savings and superannuation benefits play an important part in supplementing or substituting for age pension provision in the future. The paper includes a description and history of the current system, an evaluation of equity issues, a discussion of revenue implications of current policies and of conflicts with other savings motives, a list and discussion of other problem areas, proposals for change, discussion of issues concerning the family and low-income earners, and suggestions for a 'new regime'.

#### POLICY, SAVINGS, SUPERANNUATION

- 150 Dixon, Daryl and George Flack (1994), *How to Retire ... And Live Well*, Business Library, Melbourne, 79pp.

The message of this book is 'that many more Australians could qualify for a pension if they looked at their overall financial situation and restructured their personal affairs accordingly. But, in many of these cases, the people concerned would be better off financially using their assets to produce a higher standard of living than is

available under the pension'. The book outlines Federal budget changes; explains how the Departments of Social Security and Veterans' Affairs operate; describes the pension system and important administrative details related to it; analyses the pension income and assets tests; examines the benefits of pensioner fringe benefits; canvasses investments suitable for pensioners; looks at taxation and entitlement issues; and analyses the tax and pension overlap. Finally it describes strategies to maximise your income.

#### FRINGE BENEFITS, INVESTMENT, MEANS TEST, PENSIONS, POLICY

- 151 Dixon, Daryl and Chris Foster (1982), *Alternative Strategies to Meet the Income Needs of the Aged*, Social Welfare Policy Secretariat, AGPS, Canberra, 39pp.

This paper has been prepared to further public debate on income security policies, especially as they relate to the aged. It argues that existing retirement policies are not integrated effectively, resulting in significant inequities. A brief history of retirement income provision in Australia is presented, with particular emphasis on the major components of such provision: the age pension, occupational superannuation, continued workforce participation and accumulated savings and property income. The current problems of the system are described and discussed. Three alternative strategies are then suggested: provision of all assistance through either the pension or the tax system; provision of assistance through both but with no restrictions on the total amount of subsidy that individuals can receive; or provision of assistance through both but with restrictions on the total amount of subsidy that individuals can receive. All three alternatives are evaluated and the authors conclude that the third alternative 'offers the greatest scope for meeting the needs of a growing aged population in an equitable manner'.

For a summary of the paper, and a critical review, see David Ingles (1982), *Social Security Journal*, June, 62-8. The author makes an assessment of whether the proposals made would indeed achieve rationalisation in a politically sensitive area.

#### INVESTMENT, PENSIONS, POLICY, SAVINGS, SUPERANNUATION

- 152 Dixon, Daryl and Chris Foster (1982), 'Welfare and taxes: some issues in the financing of welfare', *Australian Quarterly*, 54(1), Autumn, 17-29.

This paper critically assesses 'the claim that people have a right to receive an age pension because of their income tax payments over their working life'. The authors conclude 'that most people could not have paid, or are likely to pay, sufficient income tax to justify a pension. The paper suggests further that continued advocacy of the view that people have paid for their pension through income tax makes it difficult to evaluate properly the merits of proposals to change the way in which welfare is financed and how it is allocated'.

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A comment on this paper by Ronald Henderson appears in *Australian Quarterly* (1982) 54(2), Winter, 173-5.

#### PENSIONS, POLICY, TAXATION

- 153 Dixon, Daryl and Barry Martyn (1988), *Super Made Easy: Your Guide to Superannuation as Investment*, Information Australia Group, Melbourne, 195pp.

'This book is designed to help people make the right decisions about superannuation.' It has three main objectives: first, to show how to make the most of superannuation by fitting it in with other investments in a tax-effective way; second, to explain in plain but accurate language, the basis of superannuation, including the implications of the changes introduced by the Government in May 1988; and third, to address the needs of particular groups, including ordinary income earners, high income earners, people changing jobs, people approaching retirement, and women. The roles of employers and unions in looking after the superannuation of others are also examined.

#### FUNDS, INVESTMENT, SUPERANNUATION, TAXATION

- 154 Dixon, Daryl and Chris White (1983), 'A long run assessment of Commonwealth income transfers to the aged', *Economic Papers*, 2(4), December, 1-12.

This paper provides an interpretation and evaluation of the data contained in a report commissioned by the Social Welfare Policy Secretariat from a firm of consultants (PTOW/TPF and C, 1983, q.v.). The demographic environment is described, using ABS and other projections. The consultants then worked 'within a range of plausible assumptions from which trends in the future cost (in percentage and not absolute terms) of various policy, economic and demographic changes could be assessed'.

The paper interprets the results and presents a set of implications including the following: major increases will be necessary in the level of transfers required to meet income support needs of the aged in future years; the dimensions of the increase will depend on policy decisions about pension levels, pension ages and the nature of the system in terms of selectivity; if benefits for a single person at a rate of 30 per cent of average weekly earnings are to be maintained there must be a major change in the attitude of the community towards taxation; the success of contributory national superannuation schemes would require increases in the rate of contributions or supplementation from general revenue; higher pensions could be paid if pension ages (particularly for females) were raised or if more selective policies involving lower take-up rates were pursued.

#### DEMOGRAPHY, ELIGIBILITY, PENSIONS, POLICY, TAXATION

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- 155 Dixon, John (1981), 'The age pension: developments from 1890 to 1978', in Anna L. Howe, ed., *Towards an Older Australia*, University of Queensland Press, 65-81.

The chapter follows the development of the Australian age pension system from its beginnings as an approach to poverty alleviation. The eligibility tests are described, up until 1972 and then under the Whitlam Labor Government and the Fraser Government that followed. It also looks at pension levels and concludes that: 'There is little doubt that the effect of government policies, politicians' rhetoric notwithstanding, has been to assist an ever-increasing proportion of the Australian aged community, but at the expense of not alleviating poverty among the aged'.

#### PENSIONS, POLICY

- 156 Dixon, John (1983), 'Australia's income security system: its origins, nature and prospects', *International Social Security Review*, 1/83, 19-44.

This article reviews the origins of Australia's income security system in the 1890s, when social insurance was rejected and 'almost by default, non-contributory cash pensions became the only feasible alternative'; at the same time a universal scheme was also rejected in favour of a selective system for the 'deserving aged'. By the time the Commonwealth became responsible for paying pensions it was accepted that 'aliens, aborigines, "Asiatics", recent immigrants, those not of "good character" and those who were not "destitute" (as determined by an austere and complex, two-tier means test incorporating both income and prosperity)' would not be eligible for the flat-rate, adequate, but not generous, payment. It also reviews the arguments about social insurance which followed the introduction of the non-contributory scheme, financed from general revenue until the time of writing. It explains the system structure, discusses the relationship of pensions and benefits to poverty lines, as well as looking at income security expenditure.

#### ADEQUACY, ELIGIBILITY, PENSIONS, POLICY

- 157 Donald, Owen (1984), *Government Support of Retirement Incomes in Australia*, Research Paper No. 24, Policy Review Branch, Development Division, Department of Social Security, Canberra, 85pp and appendices.

This submission to the Senate Standing Committee on Social Welfare focuses on Federal Government involvement in income support for the retired and aged. It 'describes the variety of mechanisms used by governments to provide retirement incomes, encourage saving for retirement and facilitate particular forms of retirement investment'. It also 'discusses issues relating to the cost, fairness and effectiveness of current arrangements'. The submission also 'outlines and comments upon various alternative strategies for meeting the income needs of the aged'. It aims to provide a framework, rather than make recommendations. 'A broad picture of current arrangements, issues and policy options is provided by this submission.'

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In considering ends and means in retirement income policy, the author considers: the objectives of government involvement; the means by which government is involved; universal versus selective income support programs; methods of financing retirement incomes; direct income support versus 'in kind' assistance; and the role of the private sector. With regard to the role of Australian Government, the paper looks at: age and service pensions; the encouragement and regulation of occupational superannuation; Commonwealth superannuation schemes; and provision of services for the aged. Age pensions are described with regard to their historical development as well as the main features of the present arrangements and current issues associated with them. Occupational superannuation is examined in relation to: general issues in the joint pursuit of poverty alleviation and income maintenance; the relative value of the superannuation tax concessions; the relative importance of occupational superannuation in providing retirement incomes; and excessive public support of retirement incomes. Broad options for change are canvassed with reference to greater support for the 'poor aged', greater support of the income maintenance objective, reduction in the cost of retirement income support, and provision for early retirement. National superannuation is also discussed with reference to overseas schemes, broad parameters and recent Australian proposals.

#### NATIONAL SUPERANNUATION, PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 158 Donald, Owen (1989), 'Towards a national retirement incomes policy: Social Security Review Issues Paper No. 6', *ACT Council of Social Service News*, 3, 3-5.

This paper delivered at a retirement income seminar, 'The Winter of Our Discontent', is a review and description of an Issues Paper by Chris Foster (1988, q.v.). 'In summary, SSR6 proposes that we build on the present system, with action needing to start soon to ensure adequacy, fairness, security and sustainability. Major changes need to be phased in: the amounts of money involved are considerable, we should avoid unheralded disturbance of people's retirement incomes planning, and administration should be well worked out in advance of implementation.

A key issue is that of **priorities for change**. What needs to be done first? How can limited funds be used to best effect? Is adequacy the top priority or are changes to promote incentives to save and invest the most pressing matter? Is there a combination of adequacy measures for the least well off and income test changes for those with modest private income that you think should be pursued first of all? These are hard but very practical and immediate questions.'

#### POLICY

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- 159 Donaldson, I.W. and A.D. Marshall (1980), 'Self-managed superannuation funds and their advantages', *Taxation in Australia*, 14, February, 626-43.

Many employers 'have decided that it is proper as well as advantageous for them to create self-managed superannuation funds to obtain for themselves both income tax and cash flow benefits'. The articles defines such funds, for the purpose of this paper, and examines the advantages and pitfalls.

## FUNDS

- 160 Dunlop, Yvonne, William Merrilees and Lynne S. Williams (1983), *A Joint Modelling of Labour Force Participation and Pension Usage Among Males Aged 60 to 64*, Working Paper No. 34, Bureau of Labour Market Research, Canberra, 30pp.

In recent years there has been a decline in labour force participation of older males at the same time as a rise in the take-up rates of government pensions. This paper models these changes jointly for males aged 60 to 64, estimating behavioural equations for their labour force participation rate, and service and invalid pension take-up rates. The prime objective was to assess the relative movements between the labour force and specific types of pensions in response to changes in selected explanatory variables.

## MEASUREMENT, PENSIONS

- 161 Duskin, Elizabeth, ed. (1992), *Private Pensions and Public Policy*, OECD Social Policy Studies No. 9, Organisation for Economic Co-operation and Development, Paris, 141pp.

'Government interest in relying more on private arrangements and less on public pensions for income on retirement appears to be increasing across OECD countries ... Governments have begun to look to private-sector pensions as a means of providing retirement income without raising taxes ...' The chapters in this collection are listed below.

Changing the mix of public and private pensions: the issues	Elizabeth Duskin
Similarities and differences in the growth and structure of private pensions in OECD countries	Leslie Hannah
The distribution of private pension benefits: how fair is it	Pierre Pestieau
Adequacy and private pensions: how adequate are they	Howard Young

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Taxation and private pensions: costs and consequences	Andrew Dilnot
Government regulation: enhancing the equity, adequacy, and security of private pensions	Nancy Altman
Financing, administration and portfolio management: how secure is the pension promise?	Jean Frijns and Carel Petersen
The economic effects of private pensions	James E. Pesando
The economics and politics of pensions: evaluating the choices	Henry J. Aaron

Australian data are used in some of the chapters.

#### ADEQUACY, ANNUITIES, COMPARISONS, SUPERANNUATION

- 162 Dymond, John Richard (1992), 'Taxation reform 1990-91: Government 1, taxpayers nil, Part 1: superannuation', *Taxation in Australia*, 26(6), December/January, 307-17.

'Award superannuation arrangements are intended to eventually cover the vast majority of employees within the Australian workforce. Introduction of universal means testing of the old age pension could, in time, effectively privatise the old age pension scheme in Australia. The economic reform being wrought by the government in this area has led, by design, to an extremely non-neutral form of taxation. Employers and employees should both be aware of the pitfalls and opportunities presented by this situation.' The article sets out what employers should do to best take advantage of the current scheme of taxation as it relates to superannuation, as well as indicating what employees should do. Appendices discuss maximum deductible contributions the benefits of employer sponsored superannuation the reasonable benefit limit scale and the conditions for joining an eligible scheme.

#### POLICY, SUPERANNUATION, TAXATION

- 163 Eades, John (1993), 'Superannuation, financial resource v. property', *Queensland Law Society Journal*, 23(5), October, 425-8.

The article looks at cases which have dealt with superannuation as part of a settlement following breakdown of marriage and describes the recommendations of the Joint Parliamentary Committee of Enquiry into aspects of the Family Law Act.

#### DIVORCE, SUPERANNUATION

- 164 Eberhardt, Jan (1983), *Superannuation*, Basic Paper No. 10, Legislative Research Service, Department of the Parliamentary Library, Canberra, 26pp.

'This paper presents some data relating to superannuation in Australia and discusses some of the issues relevant to the industry. Taxation and other arrangements pertaining to the industry have recently been examined by the Campbell Committee of Inquiry into the Australian Financial System and by the Task Force on Occupational Superannuation; relevant proposals of these committees are outlined but details of the recommendations are not discussed in this paper as its purpose is to present a broad overview'.

#### SUPERANNUATION, TAXATION

- 165 Economic Planning Advisory Council (1988), *Economic Effects of an Aging Population*, Council Paper No. 29, Office of EPAC, Canberra, 107pp.

'This paper examines the effects of an aging population on social expenditure (social security, health, education and employment), considers the broad implications for tax expenditures (especially superannuation), and discusses possible policy responses'. The tax advantage of superannuation is estimated. The future cost is hard to predict and is dependent on superannuation fund earnings. 'The spread of superannuation coverage may tend to increase the cost of these tax advantages in the short term. But in the longer term the aging of the population will lead to an increase in the amount paid out as benefits relative to the income of superannuation funds. The deferred taxes paid on those benefits will constitute an increasing offset to the cost of superannuation tax concessions.' The paper includes a discussion of superannuation in relation to private savings and the encouragement of self-provision for retirement and of the extent that existing tax advantages will lead to a commensurate reduction in age and service pensions expenditure in the future.

'Public discussion of the best means of encouraging self-provision for retirement has centred around two broad policy directions. The first is to provide a favourable climate for savings but to tax alternative saving media on a consistent, neutral basis. The second approach is to retain some concessions for superannuation savings, but attempt to ensure that the tax advantages achieve more fully their intended aim of encouraging self-provision for retirement.' The second approach is the one the present government has taken, encouraging the use of superannuation for genuine retirement purposes. However, some issues need further attention, 'including the form in which superannuation benefits are taken (and particularly the current excessive encouragement of lump sums as opposed to pensions and annuities), the preservation to age of 55, and the differences in tax treatment between employees and the self-employed'.

#### LUMP SUMS, POLICY, SELF-EMPLOYED, SAVINGS, SUPERANNUATION, TAXATION

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- 166 Economic Planning Advisory Council (1992), *Economic and Social Consequences of Australia's Ageing Population - Preparing for the 21st Century*, EPAC Background Paper No. 23, Office of EPAC, AGPS, Canberra, 158pp.

The publication is a compilation of the papers presented at an Office of EPAC seminar held in Canberra, September 1992. They are:

Summary of papers and discussion	Ross Clare and David Kehl
Introductory remarks to seminar	Glenn Withers
Future development of retirement incomes policy - financing and social issues	Neal Blewett (q.v.)
Can social and policy developments cope with demographic change?	Ashok Tulpulé
Superannuation guarantee charge - what do we know about its aggregate impact?	Hazel Bateman and John Piggott (q.v.)
The role of superannuation in the financial sector and aggregate savings	Robin Foster (q.v.)
Interaction between age pension and superannuation	David Kalisch (q.v.)
Health care for the elderly - costs and some institutional issues	David Goss
A view from the health professions	Warwick Wilkinson
Aged care in the 21st century - a new social agenda	Elizabeth Ozanne
Catering to consumer needs and expectations	John Barber
Panel discussion	Vince Fitzgerald and Lindsay Thompson
Comment on proceedings	Fred Gruen

'An important theme of discussion at the seminar was the interlinkage between aspects of the ageing population. Retirement income issues cannot be settled in isolation from consideration of social issues such as labour force participation and participation in society more generally by the aged. Health and social issues also are impacted on by levels of retirement incomes and command over resources by the aged'.

#### DEMOGRAPHY, PENSIONS, SAVINGS, SUPERANNUATION, SGC

- 167 Economic Planning Advisory Council and Office of the Status of Women (1994), *Women and Superannuation, Selected Seminar Papers*, EPAC Background Paper No. 41, AGPS, 129pp.

This publication includes papers from a seminar, covering the key issues: the factors necessary to increase the economic capacity of women to establish substantial superannuation benefits, the coverage of women who move in and out of the work force and casual and part-time workers, the taxation of superannuation, the interaction of the age pension and other social security benefits and superannuation,

women's entitlements under superannuation schemes, and the administration and corporate governance of schemes.

Women and superannuation	Ross Clare (q.v.)
Super for unwaged and low waged women	Eva Cox (q.v.)
The relationship between age pension and superannuation benefits	David M. Knox (q.v.)
Occupational link-eligibility and the 'Two Year Rule'	John Larkin (q.v.)
New directions in corporate governance: women on trustee boards of superannuation funds	Diana Olsberg
The taxation treatment of super	Howard Pender (q.v.)
Women's work patterns and the impact upon provision for retirement	Linda Rosenman and Sharon Winocur (q.v.)
Taxation, superannuation and women	Steven Ross (q.v.)
Indirect discrimination and superannuation	Sue Walpole (q.v.)

#### COVERAGE, PENSIONS, SUPERANNUATION, TAXATION, WOMEN

- 168 Edey, Malcolm, Robin Foster and Ian Macfarlane (1991), *The Role of Superannuation in the Financial Sector and in Aggregate Saving: A Review of Recent Trends*, Research Discussion Paper 9112, Reserve Bank of Australia, 31pp; also in Kevin Davis and Ian Harper, eds, *Superannuation and the Australian Financial System*, Allen and Unwin.

'Assets with superannuation funds represented the fastest growing of the major components of household wealth during the 1980s. This paper reviews the causes of that growth, and its effects on private saving and on the pattern of financial intermediation. It is found that the growth of superannuation funds during this period was mainly a result of the funds' high earnings rates; there was relatively little change in the net rate of new contributions by members. This fact makes it hard to argue that growth of the superannuation sector came at the expense of other types of financial intermediaries. The relative stability of members' contributions also helps to explain why superannuation has not yet had a noticeable effect on the level of private saving.'

#### FUNDS, SAVINGS

- 169 Edstein, John V. (1989), 'Superannuation: anti-avoidance provisions and judicial approaches', *Taxation in Australia*, 23(8), March, 524-31.

The article examines provisions of the Occupational Superannuation Standards Act 1987 which relate to taxation, the receipt of excess benefits and some other provisions which must be taken into consideration when calculating taxation rates.

#### SUPERANNUATION, TAXATION

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- 170 Edstein, John V. (1990), 'Superannuation funds: the tax thrust', *Taxation in Australia*, 25(4), October, 333-43.

The article is an explanation of the legislation complexities, general principles and concepts of the most recent provisions for superannuation funds in relation to taxation. It provides a brief overview of the constitutional aspects, especially as they relate to public sector funds.

#### FUNDS, TAXATION

- 171 Edstein, J. (1991), 'Regulations governing contributions and benefits', Paper No. 5 in *Current Superannuation Issues*, Continuing Legal Education, Faculty of Law, University of New South Wales, Sydney, 11pp.

The paper deals with certain regulations of the Occupational Superannuation Standards Regulations. The author analyses the basic structure of the provisions and identifies 'some terms which will require judicial interpretation, e.g. "retire from the workforce" and "fully secured"'.

#### SUPERANNUATION

- 172 Emmerson, J. McL. (1979), 'Lump sum payments in commutation of pensions', *Australian Tax Review*, 8(3), September, 129-32.

The article is concerned with decisions made in law about the taxation applicable to lump sums paid on the occasion of retirement 'however remote in time the payment might be from the retirement and however remote the causal nexus between the two events'.

#### LUMP SUMS, TAXATION

- 173 Errington, Michael (1991), 'Superannuation in property applications: having your spouse's cake and eating your own', *Australian Family Lawyer*, 6(3), 14-20.

Since the inception of the Family Law Act 1975, 'superannuation has come to play a larger role in property cases. Further, because of the ageing of the population, the increasing taxation advantages of superannuation, and its growing incorporation in industrial awards, one can expect it to assume an even greater significance in the future'. The article considers a number of questions: is superannuation 'property'?; when is it appropriate to adjourn a case (e.g. when the funds are not available at the time of application); should the Court make deferred orders; and how should superannuation be taken into account?

#### DIVORCE, SUPERANNUATION

- 174 Evans, John R. (1985), *Superannuation 85*, Centre for Professional Development, Melbourne, (pages not numbered).

The publication has three sections: Fund Selection and Installation, including a section on taxation guidelines; Fund Administration; and Benefit Payments.

#### FUNDS, TAXATION

- 175 Evans, Paul, Christine Martini and John Rickard (1987), *Superannuation Formulae*, Graduate School of Management, University of Melbourne, 15pp.

'This paper is directed towards the development of mathematical formulae which describe the growth of monies invested in an accumulation fund for the purpose of providing superannuation benefits ... The paper is intended to serve as a prerequisite study to a complete appraisal of Australia's current legislation with regard to the provision and funding of superannuation schemes.'

#### FUNDS, POLICY

- 176 Evatt Foundation (1991), *The Super Rich and the Super Poor. New Directions in Retirement Incomes Policy*, Proceedings of a conference, Evatt Foundation, Sydney, 57pp.

The publication includes the following sections:

Introduction	Sol Encel
The Hewson package and superannuation policy	Daryl Dixon (q.v.)
The issue of equity in superannuation	Linda Rosenman and Sharon Winocur (q.v.)
Superannuation - the ACTU view	Iain Ross (q.v.)
Superannuation - an alternative union view	David Bunn (q.v.)
Ownership and control in industry-wide superannuation funds in Australia in the 1990s	Diana Shaw
Panel discussion: Is the present system defensible	
The Labour government and superannuation	Les Fallick
The present system is defensible	Russell Mason et al.
The present system is not defensible	Julian Disney
Superfudge or subterfuge?	Eva Cox

#### POLICY, SUPERANNUATION, UNIONS, WOMEN

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- 177 Everett, J.E. and R.D. Fayle (1984), 'Medical practitioner superannuation: the equivalent return on contributions', *Taxation in Australia*, 19, October, 368-71.

'Under a ruling issued by the Commissioner for Taxation on 24 May 1984, medical practitioners may incorporate their practices.' The article discusses superannuation provision following such incorporation, with particular reference to taxation.

#### SELF-EMPLOYED, SUPERANNUATION, TAXATION

- 178 Fairley, Andrew E.J. (1985), 'Superannuation; self-employed and employees', *Law Institute Journal*, 59 (1 and 2), January/February, 48-50.

'Parliament passed new lump sum superannuation legislation last year and this article highlights the apparently overlooked significant effect on self-employed and employee benefit.' It examines the rates of tax payable on termination payments, contributions, tax deductibility, excessive benefits and investment powers.

#### LUMP SUMS, SELF-EMPLOYED, SUPERANNUATION, TAXATION

- 179 Fairley, Andrew E.J. (1986), 'Superannuation after income tax ruling IT2201', *Australian Tax Review*, 15(1), March, 13-21.

Ruling IT2201 (25 October 1985), made changes to 'a number of generally accepted principles of superannuation, with the rationale of introducing greater equity into superannuation funding for all types of superannuation funds for both sexes'. This article deals with the major changes: the retirement age for females; the multiplier scale applying to the ascertainment of reasonable lump sum benefits in respect of salaries; changes to allowable rates of contribution; benefits from other funds; excessive benefits; contribution calculation; calculation of pension benefits; and applicable commercial rate of interest. The changes are particularly relevant to the self-employed because they 'remove the ridiculous situation in which the self-employed funded retirement benefits without regard to their income'.

#### LUMP SUMS, SELF-EMPLOYED, SUPERANNUATION, WOMEN

- 180 Fairley, Andrew (1987), 'Following occupational superannuation', *Law Institute Journal*, 61, January/February, 54-9; a version appears as 'Preservation of superannuation benefits', *Australian Tax Review*, 16(4), December, 271-81.

The article is concerned with the new operational standards for superannuation funds, and the responsibilities the changes place on trustees of the funds.

#### FUNDS, SUPERANNUATION

- 181 Fairley, A.E.J. (1987), 'Superannuation', *Australian Tax Review*, 16(2), June, 140-5.

The article is concerned with superannuation for professionally qualified self-employed persons.

#### SELF-EMPLOYED, SUPERANNUATION, TAXATION

- 182 Fairley, A.E.J. (1988), 'The new fundamental changes to the rules for superannuation funds', *Australian Tax Review*, 17(1), March, 33-45.

The article describes changes to superannuation administration embodied in the Occupational Superannuation Standards Act 1987, the Taxation Laws Amendment Act (No. 4) 1987 and the subsequent Regulations proclaimed on 22 December 1987. Some of the issues taken up here are: in-house assets, ineligible superannuation funds, tax applicable to certain investment income, eligible fund for ineligible income, deductability of contributions to ineligible superannuation funds, accumulating trusts, breaches of standards and de facto spouses. The author claims that there are still areas of uncertainty.

#### FUNDS, TAXATION

- 183 Fairley, Andrew E.J. (1988), 'The new superannuation regime - how the occupational standards work', *Law Institute Journal*, March, 146-51.

The article outlines changes to superannuation provisions. It argues that the confusion which has arisen requires that lawyers should be able to give appropriate advice and assistance.

#### SUPERANNUATION

- 184 Fairley, A.E.J. (1988), 'Superannuation: unfunded termination payments', *Australian Tax Review*, 17(4), December, 253-60.

The changes to 'reasonable benefit limits' in superannuation payments has brought into question the treatment of ex gratia payments made by employers to an employee on retirement, commonly referred to as a 'golden handshake'. This article defines unfunded termination payments, with particular regard to their taxation treatment.

#### LUMP SUMS, TAXATION

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- 185 Fairley, A. and P. Szabo (1982), 'Traditionalised superannuation - a practical analysis of the recent changes to superannuation guidelines', *Taxation in Australia*, 16, June, 1004-23.

This article discusses the changes to the guidelines for superannuation announced by the Commissioner for Taxation in respect of the year beginning 1 July 1981. 'The significance of the guidelines lies both in the Commissioner's preparedness to change his approach quickly in response to perceived abuses of the previous system, and in the great benefits which can derive upon taxpayers from the use of a Traditional Pension fund instead of a non-traditional lump sum or pension fund.' The paper discusses in particular: the concept of traditional superannuation; the introduction of allowable contributions at the rate of ten per cent and its application to non-traditional funds; and certain legal requirements.

#### FUNDS, LUMP SUMS, SUPERANNUATION, TAXATION

- 186 Fallick, Les et al. (1992), 'Super vision', *Australian Left Review*, 144, October, 20-5. Other authors: Frances Hamilton, Brian Daley, Diana Shaw, and Peter Davidson.

The article is a transcript of a discussion chaired by Les Fallick on the subject of superannuation. The speakers discuss the dependency ratio and what it means, government spending on age pension, overseas funding of retirement income, the option of a comprehensive social insurance system and wages and wage-related schemes. The nature of the Australian superannuation policy and its development in the 1980s is explored; the age pension and its level is also discussed. The speakers debate the use and management of superannuation funds.

#### FUNDS, PENSIONS, POLICY, SUPERANNUATION

- 187 Family Law Council (1980), *Superannuation and Family Law*, Working Paper No. 8, AGPS, Canberra, 49pp.

This paper is the result of the deliberations of a working party convened by Mr Justice Emery in 1978-79. The paper is concerned with the need to direct a just distribution of the financial resources of the parties to a breakdown of a marriage, including any future superannuation benefits, at an appropriate time. Government policy is 'set firmly against any payment being made from government superannuation funds to divorced spouses. Accordingly careful consideration should now be given to changing this policy'. Recommendations are made for changes which would allow for divorced spouses to be included as beneficiaries of all schemes.

#### DIVORCE, SUPERANNUATION

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- 188 Farrar, Adam (1987), 'Who's right about super', *Australian Social Welfare Impact*, 17(3), May, 8-10.

The article is an account of decision-making processes surrounding the proposal by the Australian Council of Social Service 'to recover \$1.5 billion in tax concessions which currently apply to superannuation funds'. Superannuation concessions cost the government \$3.1 billion a year, 'That is the amount the government effectively pays to the retirement income of those with superannuation. With the dramatic growth of super funds this figure is certain to increase'. The proposal was criticised after it was made, and this article analyses the criticisms, which were related to the need for self-funding retirement income programs and the need to encourage domestic savings.

#### POLICY, SUPERANNUATION, TAXATION

- 189 Ferguson, Brian (1982), 'The future role of private superannuation', *Australian Journal on Ageing*, 1(3), August, 12-16.

While discussions of the problems of providing for a large aged population generally concentrate on the role of national superannuation systems, this paper argues that one way 'to ease the tax burden of an ageing population is to ensure that as many workers as possible have as much access as possible to private savings instruments'. 'This sort of suggestion is often said to go against the social aim of universality in social security programs, but this should not really be an objection since much of the impetus to universality can probably be traced to the almost universal inadequacy of private mechanisms for retirement saving in the past.' The paper discusses private superannuation schemes, management problems associated with them and benefits to the economy of private pension plans.

#### POLICY, SAVINGS, SUPERANNUATION

- 190 Fink, Averil (1980), 'Economic security for the elderly in hard times', *Growing Older*, 7(17), September-December, 22-5.

'Australia has been populated by single people or small family units, making it impossible for a clan system to be built up with its social and economic supports. This **singularity** has delayed the development of any comprehensive welfare system.' There is an increasing gap between non-producers and the rest. The article looks at the demographic situation with particular reference to Aborigines and immigrants. The retirement income system is described and recommendations are made to ensure that older people who are 'less able to cope than younger people' suffer a smaller proportional loss of standards than the rest of the community when times are hard.

#### ADEQUACY, IMMIGRANTS

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- 191 Finn, Frank J. and Peter Ziegler (1984), 'The investment obligations of a superannuation fund trustee and Commissioner's discretions', *Australian Tax Forum*, 1(4), December, 401-11.

The article argues 'that the risk of any investment cannot be determined in isolation, but rather must be determined within the context of the total portfolio. An investment which appears to be "speculative" on its own may not be imprudent when considered in the light of its contribution to the risk of the portfolio. Likewise, non-income producing assets may well be prudent investments for superannuation trustees in the context of the overall portfolio plan'. However, the Commissioner of Taxation has assumed discretionary powers over superannuation funds which 'are currently being applied on an individual investment basis, and this application is embodied in the Commissioner's published guidelines'. The authors argue that 'these guidelines are obsolete, and require amendment to allow superannuation trustees to invest in **prudent portfolios** of assets in accordance with modern investment theory and practice'.

## FUNDS

- 192 Fitzgerald, V.W. (1993), *National Saving: A Report to the Treasurer*, AGPS, Canberra, 112pp; Executive Overview, 20pp.

This report on the level of national saving in Australia includes a chapter on the role of private savings and their contribution to national saving goals. 'The Superannuation Guarantee is a major institutional change taking Australia to a system of universal, compulsory self provision for retirement that most OECD countries have. But a very long transition period lies ahead before it is fully in place, pointing to the importance of clarifying its ultimate goals and improving the interaction between superannuation and the age pension.' The author discusses the size of the contribution from each individual which would ensure the maintenance of pre-retirement income through superannuation. Other issues which need to be addressed include: the timing of raising the preservation age; alignment of the pensionable age of men and women; access for the long-term unemployed; access to lump sums; incentives to strengthen the provision of superannuation in the form of income streams; and coverage of the self-employed.

## POLICY, SAVINGS, SUPERANNUATION, SGC

- 193 Fitzgerald, V.W. and I.R. Harper (1993), 'Super preferred or "level playing field"?: implications for saving and the financial system', in John G. Head, ed., *Fightback! An Economic Assessment*, papers from a conference organised by the Public Sector Management Institute, Monash University, Conference Series No. 12, Australian Tax Research Foundation, Sydney, 123-70.

This paper is concerned with a number of elements in the debate about superannuation in Australia. It discusses whether Australia can be said to have a

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saving problem, and in particular, a retirement saving problem; and what influence superannuation will have on the savings and on the cost of retirement incomes borne by the public budget.

#### POLICY, SAVINGS, SUPERANNUATION

- 194 Fletcher, Jennifer (1990), 'Super news for writers', *Australian Author*, 22(4), Summer, 27-8.

'New tax incentives have persuaded many self-employed writers to join a superannuation scheme.' This article looks at the options for those wanting to take out superannuation, and canvasses the different schemes available to the self-employed.

#### SELF-EMPLOYED, SUPERANNUATION

- 195 Foreman, Horrie (1988), *Income Units Containing Aged Persons - A Profile*, Research Paper No. 53, Research and Data Analysis Section, Social Policy Division, Department of Social Security, Canberra, 30pp.

'This paper outlines the broad picture of housing arrangements, earnings, educational qualifications and type of household help received by income units containing a person of age pension age (females aged 60 years or more and males aged 65 years or more).' The data are drawn from an ABS survey of families conducted in 1982. Information on income is presented in terms of main source of income and further information is given about earned incomes and hours worked.

#### DEMOGRAPHY

- 196 Formica, Andrew and Geoffrey Kingston (1991), 'Inflation insurance for Australian annuitants', *Australian Journal of Management*, 16(2), December, 145-63; also appears as Research Paper No. 2, Superannuation Economics Research Group, Department of Economics, University of New South Wales, 19pp.

'In the burgeoning market for immediate annuities, products offering payments escalated at a fixed rate of 5% per year have been greatly outselling their CPI - indexed counterparts, thanks to the lure of high early payments. Modifying recent analogies between inflation insurance of annuity streams and sequence of call options on synthetic CPI futures, we estimate the cost of insuring fixed-escalation annuity streams against prespecified drops in purchasing power. With such insurance, annuitants could enjoy reasonably high early payments without risking an inordinately low standard of living after some years of sustained high inflation, or towards the end of a long life.'

#### ANNUITIES

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- 197 Forward, Roy (1983), *Income in Old Age: Is National Superannuation the Answer?*, Current Issues Brief No. 4, Legislative Research Service, Department of the Parliamentary Library, Parliament of the Commonwealth of Australia, 18pp.

'There are two main methods of financing old age income programs. This paper describes non-contributory and contributory systems, looks at what is happening in other countries and at some suggestions made for Australia. Problems associated with the current superannuation system are canvassed. The author claims that one of the 'major factors inhibiting moves towards a contributory scheme in Australia has been the opposition of the existing employer-sponsored occupational superannuation schemes'. However, after examining the arguments, he concludes that 'the idea of introducing a national superannuation scheme in Australia has almost nothing to be said in its favour. The most obvious alternative is to concentrate on improving the existing age pension arrangements'.

#### NATIONAL SUPERANNUATION, PENSIONS, POLICY, SUPERANNUATION

- 198 Forward, Roy (1984), 'Looking at super', *Australian Social Welfare Impact*, 14(1), March, 21-4.

The article looks at the issues surrounding national superannuation, and asks who will benefit from such a scheme, teasing out some difficult questions. The first part of the article is concerned with methods of financing retirement income programs - from general revenue or from contributions - and also presents the arguments for and against a greater reliance on contributions. The article then examines the method of payment and the treatment of dependants. This question is complicated by changes in the participation rate of women in the workforce, unemployment rates, de facto marriages, rising divorce and separation rates and the rise in marital-like relationships between homosexuals. 'Superannuation schemes can be designed to cope with a demand for apportioning accrued entitlements between spouses, because that is a situation still in accord with the old model. But it is impossible to imagine how any scheme can cope with contributors and would-be contributors who move into and out of the paid work force who drop out for a while to have children or work in the informal or alternative economy; who spend much of their life on unemployment, supporting parent and education benefits, and who chose to retire at 45 anyway; who have interdependency relations that change radically over the space of the forty to fifty years which in the heyday of superannuation were to be spent working for the one employer; and who only sometimes, and in varying degrees have dependants.' The author also considers the effect of a national scheme on existing occupational superannuation schemes.

#### COVERAGE, POLICY, NATIONAL SUPERANNUATION, SUPERANNUATION, WOMEN

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- 199 Foster, Chris (1988), *Towards a National Retirement Incomes Policy*, Issues Paper No. 6, Social Security Review, Department of Social Security, Canberra, 253pp.

This review of the Australian retirement income system begins by presenting reasons why a review should be necessary. One chapter outlines the existing arrangements, including a short history, an account of age and service pension arrangements together with data on pension numbers and outlays. The following chapter presents data on the incomes and circumstances of older people with sections on international comparisons, expenditure needs, assets and home ownership, access to services, living arrangements and changes affecting their circumstances. One of the major factors in shaping public interest in retirement income policy is the change in demography: the fact that there is now an ageing population in Australia. This is discussed in Chapter 4. Chapter 5 deals with work and retirement, taking up issues related to early retirement, occupational superannuation, age pension entitlement, the retirement age, the age pension age for women, flexible retirement, compulsory retirement and age discrimination. The question of adequacy is discussed in terms of those who are fully dependent on the pension, length of time people are on the pension, indexation, rent assistance and other housing needs, as well as the question of extra allowances. Chapter 7 deals with means tests and taxes, beginning by outlining existing arrangements, then discussing incentives to save, labour force participation the impact of means tests and taxes and the fringe benefits income test. Equity considerations are taken up and the chapter includes a discussion of the future role of means tests and taxes. There is a chapter on occupational superannuation which reviews coverage, safety net issues and adequacy. Chapter 9 is concerned with the interaction of the age pension and superannuation, and Chapter 10 addresses the question of a national superannuation scheme. The final chapter suggests directions for reform, taking into consideration the issues raised earlier.

'The only way to achieve a stable retirement income environment is through a public consensus and bi-partisan political approach to establishing a national retirement incomes policy. We should avoid the need for frequent major structural changes.' There is 'a need for means tested pensions to ensure adequacy and equity and a need to ensure that occupational superannuation performs the role expected of it in the future'.

ADEQUACY, COMPARISONS, COVERAGE, DEMOGRAPHY, ELIGIBILITY  
HOUSING, MEANS TEST, NATIONAL SUPERANNUATION, PENSIONS,  
POLICY, SUPERANNUATION, TAXATION

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- 200 Foster, Robin (1992), 'The role of superannuation in the financial sector and aggregate savings', in Economic Planning Advisory Council, *Economic and Social Consequences of Australia's Ageing Population - Preparing for the 21st Century*, Background Paper No. 23, Office of EPAC, AGPS, Canberra, 53-72.

'This paper looks at trends in superannuation savings and related financial aggregates over the last three or four decades.' It shows a fall in the assets of superannuation funds in the 1970s and a sharp rise in their assets through the 1980s mainly because of earnings on funds' investments, particularly capital gains. Other financial institutions and funds also grew during the 1980s and the share of life and superannuation funds in total financial assets remains slightly lower than 20 years earlier. There are some similarities and differences in banking and superannuation and their relative importance as repositories of household savings are discussed. The paper also looks at factors influencing superannuation, savings and retirement incomes: high real interest rates in the late 1980s which seem to have encouraged early retirement; the average period in which people are in the workforce and saving for retirement, which has shortened; life expectancy; and the decrease in the rate of real wage growth in the late 1980s.

#### FUNDS, SAVINGS

- 201 Foster, W.F. (1988), *Superannuation and the Self-employed*, Information Paper No. IP27, Committee for Economic Development of Australia, Canberra, 38pp.

'An outline of the broad options for superannuation available to the self-employed in the late 1970s is followed by a brief discussion of the principal shortcomings of the prevailing system identified in the major relevant government inquiries of the time, as a basis for understanding the more recent developments and their implications for the self-employed. The major operational changes of the last decade are then described, and the paper concludes with a discussion of the current situation for superannuation and the self-employed.'

#### SELF-EMPLOYED, SUPERANNUATION

- 202 Foxton, Peter B. (1991), 'The changing nature of superannuation', *A.I.J. Journal*, 14(3), July, 41-3, 56.

The article describes the changes to superannuation introduced on 1 July 1990. The important elements were 'much more generous tax deduction facilities for personal contributions by "unsupported" members of superannuation funds; removal of the prohibition on funds paying superannuation benefits above the so-called "Reasonable Benefit Limits"; a significant increase in the levels of allowable superannuation contributions; and the removal of the distinction between superannuation funds operated for employed persons and those established for the benefit of self-employed or "unsupported" persons'. The author also describes

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changes on the industrial front with regard to superannuation. The effects of these changes are discussed.

#### SELF-EMPLOYED, SUPERANNUATION, TAXATION

- 203 Freebairn, John (1988), 'Taxation of superannuation and retirement incomes', in John Freebairn, Michael Porter and Cliff Walsh, eds, *Spending and Taxing II: Taking Stock*, Allen and Unwin in association with Centre of Policy Studies, National Priorities Project, Sydney, 84-103.

The chapter presents 'arguments in support of the provision of some taxation incentives for individuals to save via superannuation, on the condition that the savings go towards annuities which provide sufficient income for retirement to avoid call being made on publicly funded age pensions'. 'An assessment is made of the effective taxation of different ways of saving for retirement, including financial instruments, personal dwellings, shares, real estate and superannuation. Superannuation does bear taxation. While the burden is concessional relative to that paid on financial instruments, it is not concessional to the same extent, if at all, when compared with saving through home purchase.' Effective tax rates differ with different superannuation arrangements also, according to the source of the funds, the form of investment and the form of disbursement of funds.

Three reform options are evaluated: 'the real income, consumption and prepaid consumption base systems. Their different implications for incentives to save for retirement, for the neutrality of tax treatment of different forms of remuneration and saving, and for government revenue are evaluated; and administrative and transition concerns are examined. In comparison with current arrangements, an income base system with concessional rates or either of the consumption base systems, together with restrictions requiring a portion of disbursement to be taken as annuities, provide a more neutral, yet still attractive, system for saving for genuine retirement. In combination with top marginal income and business tax rates of 30 per cent, our proposed superannuation reforms would lead to significantly higher post-retirement incomes'.

#### ANNUITIES, INVESTMENT, POLICY, SAVINGS, SUPERANNUATION, TAXATION

- 204 Fuery, Michael (1985), 'Indexing pensions - pension adjustment procedures in ten OECD countries', *Social Security Journal*, June, 60-6.

'This article describes pension indexation arrangements in the Organisation for Economic Co-operation and Development (OECD) countries, with particular reference to New Zealand, Japan, Canada, the United States, the United Kingdom, France, the Netherlands, the Federal Republic of Germany, Denmark and Sweden.

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The article begins with an historical overview of the development of pension indexation in OECD countries generally. It then goes on to examine the various methods used to adjust pensions in the ten countries referred to above, and to describe a range of restrictions which have been imposed on pension indexation procedures in recent years as part of a wider move by governments to restrain social security and other public sector expenditure. Finally, a brief history of indexation and a description of current arrangements in Australia is provided for comparative purposes.'

#### ADEQUACY, COMPARISONS, PENSIONS

- 205 Fuery, Michael et al. (1988), *Occupational Superannuation in Overseas Countries*, Background/Discussion Paper No. 25, Social Security Review Research Paper No. 42, Social Policy Division, Department of Social Security, Canberra, 124pp. Other authors: Peter Huta, Karen Gauntlett and Annabelle Murray.

'The purpose of this paper is to examine current arrangements and developments in occupational superannuation provision in nine countries (Switzerland, the United Kingdom, the United States, Canada, New Zealand, the Netherlands, the Federal Republic of Germany, Denmark and Sweden). In addition, a summary of the First Report of the National Pension's Board of Ireland (1987), which examines occupational superannuation arrangements in that country, is included as an appendix.' The paper includes information on the following important aspects for each country: regulations governing superannuation arrangements; taxation treatment of contributions, benefits and pension fund investment earnings; the structure of schemes in terms of defined benefits and defined contributions, pension versus lump sum and contributory versus non-contributory; vesting, portability and preservation provisions; and limitations on pension fund investment practices. 'Some additional aspects examined include coverage, retirement age, integration with social security and indexation of retirement benefits for inflation.' Each country chapter also includes a description of the country's social security retirement income provisions.

#### COMPARISONS, COVERAGE, PENSIONS, SUPERANNUATION, TAXATION

- 206 Gallagher, Phil (1994), *Submissions to the Strategic Review of the Pensions' Income and Assets Test*, Retirement Income Modelling (RIM) Task Force, Departments of the Treasury, of Finance and of Social Security, Canberra, 11 + 10+ pp.

This publication includes an 'Analysis of the Institute of Actuaries' Proposals for Reform of the Retirement Income System' and 'Further Analysis of the Institute of Actuaries' and Other Proposals for Reform of the Retirement Income System'. The first of these submissions looked at the *Proposed Retirement Incomes Strategy* from

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the Institute of Actuaries of Australia (IAA), which was a submission to the Senate Select Committee on Superannuation and which had been analysed using the National Mutual Retirement Income Policy (RIP) model. It explains why the RIP model was unsuitable for this analysis and uses the RIM Task Force's model INMOD with six hypothetical cases, to show that the IAA proposal was possibly regressive and did not appear to be self funding, with markedly higher costs to government for those on higher incomes. It also points to the effects on national financial saving of freezing the superannuation guarantee contribution (SGC) at six per cent; discusses issues of intergenerational and intragenerational equity; and identifies issues associated with the dropping of tax concessions for superannuation as a funding mechanism. The second submission looks at the same issues using different hypothetical cases. It confirms the high costs to government of the IAA proposal found in the earlier analysis.

#### MEASUREMENT, SUPERANNUATION, SGC, TAXATION

- 207 Gallagher, Phil and Alan Preston (1993), *Retirement Income Modelling and Policy Development in Australia*, Conference Paper 93/3, Retirement Income Modelling Task Force, The Treasury, Canberra, 37pp.

'This paper examines recent attempts to model the long-term impact of retirement income policies in their demographic, economic and policy contexts. The paper particularly concentrates on the work of the Retirement Income Modelling Task Force which is jointly sponsored by the Commonwealth Departments of Treasury, Finance and Social Security. The strengths and limitations of the microsimulation models of the Task Force are examined. The work of the Task Force is used to raise management issues central to any government modelling of policy issues. The policy significance of current and planned Task Force analysis is explained.'

#### MEASUREMENT, POLICY

- 208 Gallagher, Phil, George Rothman and Colin Brown (1993), 'Saving for retirement: the benefits of superannuation for individuals and the nation', in Peter Saunders and Sheila Shaver, eds, *Theory and Practice in Australian Social Policy: Rethinking the Fundamentals*, Proceedings of the National Social Policy Conference, Sydney, July 14-16, Volume 2: Contributed Papers, SPRC Reports and Proceedings No. 112, Social Policy Research Centre, University of New South Wales, Sydney, 171-202; also appears as Conference Paper 93/2, Retirement Income Modelling Task Force, Treasury, Canberra, 24pp+.

This paper analyses the effects of retirement income policies on individuals and couples, and on national savings and Commonwealth tax expenditures, using the current computer models of the Retirement Income Modelling Task Force. The analysis of individuals and couples at differing income levels and work histories

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shows the increase in disposable income in retirement as a percentage of age pension and in comparison to pre-retirement disposable income. The associated savings gains and offsets, net policy gains and accruing tax expenditures are presented and explained using seven hypothetical cases. The income maintenance approach to retirement incomes is contrasted to the poverty alleviation approach. The paper demonstrates how the tax expenditure estimate for superannuation is not appropriate for long term analysis. New data on the distribution of non-superannuation assets are used in an analysis of the likely level of household savings if compulsory superannuation was paid as savings. An aggregate projection model is used to examine the possible impact of superannuation policy on national saving until 2056 and how this is sensitive to plausible alternative non-superannuation savings patterns and other assumptions. The impact of the Superannuation Guarantee Charge (SGC) policy and its possible extensions on total age pension outlays and total tax expenditures is explored.

'A principal conclusion is that the benefits to individuals and the nation of compulsory superannuation including the envisaged extension to member co-contributions are supported by the analysis. The broad benefits, such as significant increases in individual retirement income and in national saving appear quite robust to reasonable variations in critical parameters... The distributional analysis of savings suggests that additional savings flowing from the SGC policy will come from the much greater coverage of lower income groups and part-time workers and also from workers over a relatively wide income range who currently have low levels of superannuation contributions from their employers or themselves.'

#### MEASUREMENT, PENSIONS, POLICY, SAVINGS, SUPERANNUATION, SGC, TAXATION

- 209 Godding, Stephen (1990), 'Superannuation and executive remuneration', in Graham L. O'Neill, ed., *Corporate Remuneration in the 1990s*, Longman Professional, Melbourne, 155-76.

The chapter discusses the integration of superannuation and remuneration packages for senior executives and middle management, following the introduction of the Fringe Benefit Tax. Major issues are: type of fund, value of employer contributions, determination of superannuation salary, and market practice in the area. The chapter describes the impact of superannuation tax reforms on remuneration planning in a variety of situations.

#### SUPERANNUATION, TAXATION

- 210 Grant, Vic (1991), 'Superannuation', *Bottom Line*, Income Security, October, 15-21 (1-7).

The paper was delivered at a conference on women and superannuation, August 1991. It is an exposition of the Australian superannuation system, beginning by

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explaining the difference between 'money accumulation schemes' and 'defined benefit schemes'. It describes the three distinctive superannuation schemes: occupational superannuation; industrial or award superannuation; and personal superannuation. A section deals with the problems faced by women in superannuation schemes.

#### SUPERANNUATION, WOMEN

- 211 Graycar, Adam and David Kinnear (1982), *The Aged and the State, A Working Paper*, SWRC Reports and Proceedings No. 5, Social Policy Research Centre, University of New South Wales, Sydney, 119pp.

This general report on ageing in Australia aims to broaden knowledge and understanding of the characteristics of the aged population in Australia, of the institutions and services which provide for that population and the broad policies which underlie them. One section presents a brief history of age pensions in Australia with particular reference to the means test and adequacy. Provision of housing assistance for the elderly is described and there is a brief discussion of the various kinds of private income (occupational pension schemes, assets, investment savings, and family transfers) and the way they contribute to disparity in status among the elderly.

#### ADEQUACY, HOUSING, INVESTMENT, PENSIONS, SAVINGS, SUPERANNUATION

- 212 Grbich, Yuri and Judith Grbich (1984), 'Tax expenditures as a regulatory tool: targeting superannuation dollars', *Australian Tax Forum*, 1(1), March, 96-120.

The article argues that tax is a major regulatory tool, used by government in many ways 'to encourage job creation, to develop export industries or new forms of economic activity like film-making the sunrise industries, to put teeth in prices and incomes policies or to pursue regional policies'. It then describes the concept of tax expenditures and the practical uses as well as abuses of that concept. It further describes problems in measuring tax expenditures and their uses as a practical budgetary tool. The paper presents superannuation as a case study in tax expenditures and business regulation. The authors then propose a specific superannuation scheme. 'But it is not a matter of great concern whether the specific scheme proposed in this paper is acceptable. More important is the underlying concept: to integrate available tax expenditure and direct budget outlays in pursuit of coherent policy objectives, with a clear sense of priorities. The proposed scheme involves a lowering of taxpayer antipathy to taxes by earmarking compulsory retirement saving and making it clear to the electorate that the scheme is merely a form of saving with deferred benefits, it ensures a decent income floor for the poor aged also. It also gives government the ability to generate risk capital to finance national economic priorities.

#### ATTITUDES, POLICY, SAVINGS, SUPERANNUATION, TAXATION

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- 213 Gruen, F.H. (1985), 'Australian government policy on retirement incomes', *Economic Record*, 61(174), September, 613-21; a version appears as Discussion Paper No. 119, Centre for Economic Policy Research, Australian National University, 25pp.

'Australia has evolved an unusual dual system of retirement incomes support. There is a means-tested flat rate age pension and a system of occupational superannuation receiving considerable tax concessions. The current system gives rise to four major problems'. The problems identified here are: the inefficiency of the tax concession, which, the author argues, has encouraged tax minimisation almost as much as it has saving for retirement income; the management of superannuation funds which, until recently, have been subject to minimal control, so that some funds have been used for the benefit of the firm rather than its employees; thirdly, the lack of integration between the age pension which is designed to reduce poverty and the superannuation system designed to cushion reduction of living standards retirement, which leads to 'double dipping', that is, exhausting superannuation and then taking the pension; and finally, the extremely high marginal tax rates facing those receiving the age pension, which penalises those with other sources of income such as part-time work. The paper discusses some options for the future, arguing for reform of existing institutions rather than 'promising a new dawn'.

#### DOUBLE DIPPING, FUNDS, PENSIONS, SUPERANNUATION, TAXATION

- 214 Gunasekera, Michael and John Powlay (1987), *Occupational Superannuation Arrangements in Australia*, Background/Discussion Paper No. 21, Social Security Review, Department of Social Security, Canberra, 55pp.

'This paper attempts to present a picture of occupational superannuation arrangements currently existing in Australia. It provides factual material as a necessary background for further discussion of superannuation arrangements in the broader context of retirement income issues.' The paper examines: the estimated number and types of superannuation schemes operating in Australia; the people covered, by gender, age, sector of employment, level of income etc; contribution levels; benefit levels, form of benefit payment and level of payment before normal retirement; and the taxation treatment of occupational superannuation. 'Finally, the paper draws together the principal observations, identifies a number of concerns about current arrangements and outlines action taken to date by the Government to address these concern.'

#### COVERAGE, SUPERANNUATION, TAXATION

- 215 Guthrie, Robert V. (1984), 'They deserve more than we are giving them', *Australian Journal on Ageing*, 3(4), November, 25-9.

This paper discusses the role of the pension in the provision of income in old age. It also reports some results from a study of 153 Italian respondents from the

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Melbourne statistical area. Of the 153, 143 received the Australian pension. 'Categorically, all the respondents stated that if the Australian old age pension were the only source of income, or if they had to pay rent out of that income they believed they could not survive on it.'

#### ADEQUACY, IMMIGRANTS, PENSIONS

- 216 Hagemann, Robert P. and Guiseppe Nicoletti (1989), *Ageing Populations: Economic Effects and Implications for Public Finance*, Working Papers No. 61, Monetary and Fiscal Division, Department of Economics and Statistics, OECD, Paris, 84pp.

This paper discusses some of the potential economic effects of ageing. Australia is one of the countries included though emphasis is on Germany, Japan, Sweden and the United States. 'It is shown that, where desirable, future increases in retirement age and benefit reductions could help reduce pressures on public finances. Accumulating a trust fund could also ease the transition to an older population.'

#### COMPARISONS, DEMOGRAPHY

- 217 Hambly, David (1985), 'Matrimonial property - Law Reform Commission seeks practitioners' views', *Australian Family Lawyer*, June, 3-6.

The article is a request for views on various aspects of matrimonial property settlement. Superannuation is identified as a specific problem. 'The Commission invites opinions on whether, as claimed by some, many spouses (mostly wives in long marriage) are undercompensated for loss of expected superannuation benefits. Should prospective superannuation benefits be included within the definition of the property that is available for division? Or are the difficulties of valuation of a prospective benefit so great that no legislative initiative can have much practical impact?'

#### DIVORCE, SUPERANNUATION

- 218 Hambly, David (1988), 'The Australian Law Reform Commission's Report on Matrimonial Property', *Australian Journal of Family Law*, 2(3), August, 260-3.

'The Australian Law Reform Commission's Report on Matrimonial Property was tabled in Federal Parliament on 16 September 1987.' This article summarises the report which includes a recommendation relating to the treatment of superannuation.

#### DIVORCE, SUPERANNUATION

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- 219 Hammond, Cheryl and Jenni Newton (1984), *The Economic and Social Circumstances of the Aged*, Research Paper No. 25, Research and Statistics Branch, Development Division, Department of Social Security, Canberra, 140pp.

'In an attempt to provide a comprehensive background for policy review and formulation in the area of income security for the aged, the following paper draws together a comprehensive range of data on the social and economic circumstances of the aged. The data are drawn mainly from published ABS and DSS statistics.

Some indication is given of the likely benefits which people approaching retirement are likely to receive. The following section is concerned with the incomes of the aged, dealing with measures of income inequality, the aged with earned income, the principal source of income, and superannuation as a source of income for the aged. There is also a comparison of the aged and age pensioners.'

#### ADEQUACY, DEMOGRAPHY

- 220 Hancock, Keith (1981), *The Economics of Retirement Provision in Australia*, Working Paper Series No. 41, National Institute of Labour Studies, The Flinders University of South Australia, 44pp; also in *Australian Economic Papers*, 20(36), June, 1-23.

The paper (the presidential address to the 50th ANZAAS conference) is concerned with arrangements for the finance of the consumption of the aged and the economic impact of those arrangements. 'Real income in retirement is derived in five ways: earlier household saving, including the acquisition of durable real assets such as houses and cars; the support of the elderly by families and friends; charity; social security; and work-related superannuation'. The paper deals with two broad segments: features of the community, the economy and institutions which affect or may affect retirement provision; and 'wider issues which are likely to affect economists' perceptions of policy options'.

The subjects specifically addressed are: aged dependency, social security, occupational superannuation, issues in intergenerational transfers, retirement provision and the redistribution of wealth, retirement and saving.

The author concludes that 'present Australian policy favours the restriction of social security and an expansion of occupational superannuation'. He suggests that the government will adopt measures with the objectives of: 'greater preservation of benefits of people who change jobs, limitation of the investment of funds in the employing firms and some switch of emphasis, in the private sector, from lump sum benefits to pensions'. Occupational superannuation will become more important as a method of retirement provision, though details are only conjectural.

'The restriction of social security to the age pension, perhaps modestly expended, is a choice to forgo more ambitious options inherent in the technique of

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intergenerational transfers, such as are available in non-funded superannuation.' A form of national superannuation may still be considered for some workers.

#### PENSIONS, POLICY, SAVINGS, SUPERANNUATION

- 221 Hancock, Keith (1983), 'Income security: the economics of retirement provision', in Ronald Mendelsohn, ed., *Australian Social Welfare Finance*, George Allen and Unwin in association with the Centre for Research on Federal Financial Relations, Australian National University, Sydney, 143-61.

There is 'little systematic knowledge about the arrangements whereby the consumption of the aged is financed, or about the economic impact of those arrangements'. Events which could have a significant bearing on the future forms of retirement provision include: the upgrading of public service and related superannuation schemes; rejection by the Commonwealth government of the proposal for a scheme of national superannuation put forward by the majority of the members of a committee set up to look into the subject; the appointment in 1979 of a Social Welfare Policy Secretariat which is required to 'consider the role of occupational superannuation in providing for retirement', and the inception of trade union sponsored superannuation schemes. This chapter discusses 'features of the Australian community, the economy and institutions which affect retirement provision now, and are likely to do so in the future'. It also 'raises wider issues which are likely to affect economists' perceptions of policy options'. These are issues in intergenerational transfers, retirement provision and the redistribution and wealth.

#### NATIONAL SUPERANNUATION, POLICY, SUPERANNUATION, UNIONS

- 222 Hancock, Keith and Sue Richardson (1981), *Lifetime Earnings and the Private Income of the Aged*, Working Paper Series No. 42, National Institute of Labour Studies Inc., Flinders University of South Australia, Bedford Park, 26pp.

'The spending capacities of the aged depend in an important way on the earnings which they have received during their working lives.' The higher the amount of earnings received, the easier it is to save money for retirement. The material welfare of the aged is influenced also by the stock of physical consumer assets they own at the point of retirement, most importantly, a house. 'The quality and quantity of the assets which are owned will in turn be related to the level of earnings received during one's working life'. This paper approaches 'an understanding of the inequality of income among the aged by examining the inequality of earnings of the employed'. It focuses on the differences in the earnings received over the whole of working life, as distinct from the differences in annual or weekly earnings. Data from income distribution surveys of 1968/69, 1973/74 and 1978/79 and from the 1976 Census are analysed. The methodology is explained. The results indicate

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inequality of lifetime income between men and women. The effects of education and choice of occupation are discussed.

#### HOUSING, SAVINGS, WOMEN

- 223 Harbord, Graham (1980), 'Superannuation: privilege or right?', *Australian Bulletin of Labour*, 6(4), September, 245-72.

This paper examines 'broad issues involved in the superannuation debate, and in particular the problems and short-comings inherent in the current superannuation provisions'. It begins by discussing the entry of the union movement into the area which has 'prompted employers and investment managers to critically examine their own schemes, and improve them to forestall union claims. At stake is their control over the large amounts of capital which make up the superannuation funds'. Sections of the paper describe and discuss: the Commonwealth age pension; the structure of superannuation schemes, both in the private and public sector; coverage with reference to blue collars workers, female participation and part-time employees; contributions; benefits, as lump sums or pensions, with reference to vesting, preservation, portability, retrenchment and early retirement; employee involvement in the administration of schemes, employee share ownership trusts and disclosure of information; taxation; security of funds with reference to investment, employer liabilities and indexation; future trends, with discussion of a national scheme and both the majority and minority Hancock reports and recent developments following those reports; existing superannuation schemes; and union involvement with reference to the scheme of the Storemen and Package Unions and the ACTU scheme and arbitration.

#### COVERAGE, NATIONAL SUPERANNUATION, PENSIONS, POLICY, SUPERANNUATION, TAXATION, UNIONS

- 224 Harper, Ian R. (1983), 'Campbell on the taxation of life assurance and superannuation in Australia', *Economic Papers*, Special Edition containing the papers presented to a Conference on the Campbell Report, Australian Graduate School of Management, University of New South Wales, June 1982, April, 25-37.

The paper subjects to close scrutiny the analysis and conclusions presented in the *Final Report* of the Campbell Committee in Chapter 15 which deals with the taxation of life insurance and superannuation. The Committee recommended 'elimination of the current situation whereby income flowing through superannuation funds virtually escapes tax altogether'. This paper agrees with the thrust of the Report though the author levels some criticism at its approach.

#### SUPERANNUATION, TAXATION

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- 225 Harper, Ian R. (1986), *Trends in Pension Fund Portfolio Management in Australia*, Discussion Paper No. 143, Centre for Economic Policy Research, Australian National University, Canberra, 39pp.

'This paper was written as part of a six-country study (by separate authors) of recent trends in pension fund portfolio management commissioned by the Pension Research Council, University of Pennsylvania, USA. The other five countries are the USA, UK, Canada, the Netherlands and Japan. A book containing all six surveys along with an overview chapter will be published by the Council early in 1987. The inclusion of Australia in the study reflects the relative underdevelopment of occupational pensions in this country and the fact that substantial change in the structure of the private pension industry is anticipated. The paper reviews a number of the most important aspects of pension fund portfolio management, viz., the question of control, the extent of government intervention, the pattern of investments, pension fund performance and the emergence of industry-based pension plans.'

#### FUNDS, SUPERANNUATION

- 226 Harrison, Margaret (1985), 'The economic consequences of marriage breakdown study', *Australian Family Lawyer*, November, 6-11.

In this article the author explains the basis for a study conducted by the Institute of Family Studies into the economic consequences of marriage breakdown (see McDonald, 1985). She also presents some of its findings. These showed that superannuation was involved in property division only in a minority of cases where superannuation was actually held.

#### DIVORCE, SUPERANNUATION

- 227 Hatcher, Simon and Antoinette Elias (1991), 'Close analysis of reasonable benefits limits for final payout', Paper No. 4 in *Current Superannuation Issues*, Continuing Legal Education, Faculty of Law, University of New South Wales, Sydney, 18pp.

This paper presents a basic overview of the reasonable benefit limits system resulting from the 1988 changes to the taxation regime applying to superannuation funds and benefits. It looks at a 'number of practical issues and problems which may trap the unwary'. It defines reasonable benefit limits, explains how they are calculated and discusses the determination process.

#### SUPERANNUATION, TAXATION

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- 228 Helenius, Cary (1994), 'Allocated pensions - a technical overview', in David Knox, ed., *Superannuation: Contemporary Issues*, Longman Professional Publishing, Melbourne, 83-97.

'Allocated pensions are the latest fashion in planning retirement incomes.' This paper estimates their effectiveness compared to alternative forms of investment. The results indicate that, in most cases, the allocated pension provides a better return than investment in unit trusts but is poorer than a direct investment alternative. The assets may be insufficient to provide for the life of a single pensioner and 'an anomaly exists in the logic for the proposed social security treatment for allocated pensions'. The model used in the estimation is described.

#### ANNUITIES, INVESTMENT, MEASUREMENT

- 229 Hemming, Richard (1979), 'The economic impact of the proposed National Superannuation Scheme for Australia', *Economic Record*, 55(151), December, 306-16.

'Employing a framework commonly used in the analysis of government tax-transfer programmes, an attempt is made to assess the proposed National Superannuation Scheme for Australia. It is argued that the scheme would almost totally relieve poverty amongst pensioners, as well as being likely to reduce income inequality in a more general sense and compensate for fundamental failures in the capital market. However, the scheme does not compensate for a major failure in the insurance market which, if it did, would provide a justification for one important aspect of the scheme, namely earnings related benefits.'

A comment on the paper by R.L. Jones and K.R. Page appears in *Economic Record* (1981) 57(156) March, 86-8. It is concerned with the concept of market failure in this context, and the possible effects of government intervention. A reply to the comment, by the author, appears on the following pages (89-90).

#### NATIONAL SUPERANNUATION, POLICY

- 230 Hewett, Noreen (1991), 'Older people and secure incomes', *Bottom Line*, Income Security, October, 9-14 (1-6).

'Older women have a vital interest in superannuation and the public debate concerning its coverage and adequacy. For a start, women with their average life expectancy of 79 years, live longer than men. As they retire at 60 rather than 65, they are doubly likely to rely on a fixed income, or a pension, than men. And finally, because of the traditional lower levels of pay and their more interrupted and part-time work patterns, women are less likely to have had the chance to accumulate superannuation to the same extent as their working male counterparts.' More women than men currently depend on the pension and many women 'are sceptical of the current focus on superannuation and its promise of better retirement incomes.'

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They perceive that government superannuation taxation concessions may have a marked affect on the current capacity and willingness of government to provide adequate pensions. Older women with superannuation face another set of problems. They are discovering that financial security is not guaranteed with superannuation. They now realise the risks and insecurities of managing financial portfolios in a climate where financial security can be another word for "nothing left to lose".

#### ADEQUACY, COVERAGE, INVESTMENT, SUPERANNUATION, WOMEN

- 231 Holmes, Gerard and Cathy Spicer (1991), 'Dividing the super when the marriage breaks down - a guide for trustees', *Superfunds*, 142, October, 42-4.

This article reviews the current approach of the courts to the treatment of superannuation entitlements in divorce cases. The legal problems of the trustee of the fund are discussed; the question of the power of the Family Court over a trustee is investigated. The status of superannuation as an asset, a property or a resource is also examined. The different and inconsistent decisions that have been made are described, some solutions suggested. 'Until the Family Court provides some judicial guidance, these aspects of superannuation will remain a problem albeit festering.'

#### DIVORCE, SUPERANNUATION

- 232 Holzmann, Robert (1986), 'Pension reform: sharing the burden', *OECD Observer*, 138, January, 3-10.

Pension programs reflect responses to five main challenges: the break-up of traditional family structures; economic and social developments which have fostered concepts of income adequacy and equality 'not only within but between generations'; the lack of opportunities for inflation-proof saving or investment; inadequacy of retirement savings; political considerations related to attracting support or to 'ways of integrating under-privileged groups into market-oriented society'. The article discusses pension schemes in OECD countries, the growth in expenditure on pensions in all of the countries (including Australia), changing views of retirement and policy responses.

#### ADEQUACY, COMPARISONS, PENSIONS, POLICY, SAVINGS

- 233 Holzmann, Robert (1988), *Reforming Public Pensions*, OECD Social Policy Studies No. 5, Organisation for Economic Co-operation and Development, Paris, 154pp.

'Public pension schemes in OECD countries are increasingly the subject of proposed or actual reform. Despite differences in underlying concepts and thus in types of social security schemes in and between countries, the need to restructure public retirement programs seems common to all systems. ... (This appears to be) a general

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response to changing economic, demographic and social environments.' The publication discusses the pressures for reform, first describing current retirement provisions, the growth of expenditure on public pensions, the ageing of population and the economic effects of public pension schemes. It then looks at the main strategies for adaptations and restructuring in terms of their scope and trends, adjustments in the benefit position and eligibility, retirement age, retirement flexibility, revenue structure, tax policy and financing modes. A final section makes suggestions for general principles to be taken into consideration when planning policy changes. Data on Australian conditions and systems are included.

#### DEMOGRAPHY, ELIGIBILITY, PENSIONS, POLICY

- 234 Hopgood, Susan (1987), 'Superannuation - the myth of equality', *Ms Muffet*, 32, June, 10-11.

Statistics show that women workers are less likely than male workers to have superannuation. The difference is related to sector, occupation, educational qualifications, age, income and stability of employment as well as the terms and conditions of individual funds. The article looks at discrimination, direct and indirect. The author argues that superannuation is based on a male model of work pattern and 'discriminates against women by not recognising the differences in the structures of their working lives'.

#### SUPERANNUATION, WOMEN

- 235 Horne, Jocelyn (1994), *Retirement Incomes Policy in Australia: Is it Affordable and Adequate?*, Research Paper No. 385, School of Economic and Financial Studies, Macquarie University, Sydney, 19pp.

'Two recurrent themes run throughout much of the debate on reform of retirement incomes policy in Australia. How much old-age income security is affordable and is it adequate? There is little consensus on either issue, reflecting different definitions and measures of the concepts of affordability and adequacy. This paper assesses the affordability of Australia's retirement incomes policy applying recently developed measures of fiscal sustainability.

It is concluded that population ageing, assuming unchanged policies does create a problem of fiscal unsustainability in common with other OECD countries. However, Australia's relatively low level of public indebtedness and scope for future revenue rises and lower age pension outlays through the Superannuation Guarantee charge suggest that the issue of affordability of retirement incomes policy is of less serious concern. The Superannuation Guarantee charge is shown to reduce the budget gap by about one quarter while doubling the replacement ratio, thereby improving significantly the policy trade-off between affordability and adequacy.'

#### ADEQUACY, MEASUREMENT, POLICY, SGC

- 236 House of Representatives Standing Committee for Long Term Strategies (Chairperson, B.O. Jones) (1992), *Expectations of Life: Increasing the Options for the 21st Century*, AGPS, Canberra, 211pp.

Due to increased longevity and a fall in the birthrate, Australia is facing a rise in the proportion of older people in the population. Along with the increase in life expectancy has been a decrease in the age of retirement. 'This report examines the potential for useful and creative human experience offered by the changing demographic contours of our society...: increasing the opportunities for work; the myth of the aged as a burden on society; the future of work and leisure in the post-industrial age; the quality of life in old age, as opposed to mere quantity of years; the unequal distribution of life expectancy and how steps to equality might be made; opportunities for fitness and recreation; access to culture and the arts; the value of lifelong education; and the importance of the urban environment.' Among the recommendations are two affecting social security: that ways of modifying the age pensions system so as to encourage older people to remain in or re-enter the workforce be considered, e.g. by permitting the retention of a percentage of pension that correspond to hours worked; also, that the Minister of Social Security consider ways of increasing the degree of local involvement in the assessment of social security entitlements, in order to maximise the sense of community and to make use of local knowledge.

#### DEMOGRAPHY, ELIGIBILITY, PENSIONS, POLICY

- 237 Howard, William A. (1987), *Superannuation and Industrial Relations: An Overview*, Management Paper No. 3, Graduate School of Management, Monash University, 29pp.

'This paper raises a number of issues in connection with the increased concern of Australian unions with occupational superannuation. It covers some history of superannuation plans and the claim heard by the ACAC in early 1986. It looks briefly at some matters of compulsion to join and at implications for social security, as well as some aspects of taxation. There is some limited examination of the role of the ACAC and of the development of standards and regulation of superannuation plans. The proposition that there should be a centralised superannuation system is considered and is generally not supported here. It is argued, inter alia that the regulation and control of such a system would scarcely be compatible with the functions of the ACAC. The issue of control of superannuation funds by unions is considered, and the conclusion drawn is that there is no reason to expect problems to arise from this aspect of superannuation.'

#### SUPERANNUATION, TAXATION, UNIONS

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- 238 Howe, Anna L., ed. (1981), *Towards An Older Australia*, University of Queensland Press, 356pp.

The book is sub-titled 'Readings in Social Gerontology' and includes sections on aspects of ageing in Australia, living conditions of the aged, systems of support and care, diversity among older Australians and future prospects. There is a chapter on the age pension by John Dixon (q.v.) and another on older workers and retirement by Russell Lansbury (q.v.).

#### DEMOGRAPHY, PENSIONS

- 239 Howe, Anna, Ian Manning and Kiera O'Neill (1984), *A Case Study in Retirement*, Working Paper No. 2, Institute of Applied Economic and Social Research, University of Melbourne, 49pp.

The paper is based on a survey of 'reluctant retirees' from the vehicle building industry which looked at aspects of their decisions to retire and their adjustments in retirement. One section deals with income, examining level of income, adequacy of income and source of income, (actual and expected sources; lump sums; and future income prospects). Findings pointed to the difference in circumstances of salaried and waged retirees and to the reliance on government benefits for the majority.

#### ADEQUACY

- 240 Howe, Brian (1989), *Australian Retirement Income Policy Towards 2000*, EPAC Discussion Paper No. 89/04, Economic Planning Advisory Council, Canberra, 18pp.

This paper supporting a presentation to the Economic Planning Advisory Council by the Minister for Social Security, describes the key pressures shaping Australian retirement income policy. It draws substantially on Issues Paper No. 6 of the Social Security Review, *Towards a National Retirement Incomes Policy*, (Foster, 1988, q.v.). 'In developing a national retirement income policy, the Government is determined that the principles of adequacy, fairness, security and sustainability will be paramount.'

The paper presents an outline of the current position including trends in pension numbers and outlays and the income of older people. The issues which require attention are discussed: demography, early retirement, pension adequacy, the taxation of pensioners and occupational superannuation. The Minister canvasses the challenges involved in reforming the system; public attitudes are a serious concern as 'there are large groups in the population who hold views which differ from those which might appear as sustainable to policy makers'.

#### ADEQUACY, ATTITUDES, PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 241 Howe, Brian (1989), *Better Incomes: Retirement Income Policy into the Next Century*, statement by the Minister for Social Security, AGPS, Canberra, 65pp.

This statement by the Minister for Social Security 'establishes the policy framework for a comprehensive retirement income policy and details further reforms to be put in place'. It begins by canvassing the need for such a policy, to deal with the disadvantages faced by women in later years and the trend towards older people leaving the labour force at earlier ages. The main features of the policy are increased saving, better integration of superannuation and the age pension system, with continued indexation of the pension. Separate sections outline changes in policy since 1983 in the areas of superannuation, community services, health care, housing, social security and taxation; the issues involved in formulating a comprehensive policy; the challenges offered by an ageing population, including the low level of saving for retirement and adequacy of income, the disadvantages of women, and early labour force withdrawal. The final section sets out policy directions with regard to pension increases, rent assistance, incentives to saving for retirement, better use of savings in retirement (e.g. home equity conversions, improved information services, use of lump sums), improved superannuation (with regard to coverage, contributions, vesting and preservation), women's access to superannuation and better employment opportunities for older workers. The timetable for the introduction the changes is presented. An appendix outlines the implications of an ageing population for age pension outlays.

#### HOUSING, PENSIONS, POLICY, SAVINGS, SUPERANNUATION, TAXATION, WOMEN

- 242 Human Rights Commission (1986), *Superannuation and Insurance and the Sex Discrimination Act 1984, Part 1 - Superannuation*, Report No. 19, AGPS, Canberra, 127pp.

The inquiry which resulted in this report was carried out in response to a request by the Attorney-General for advice as to whether the Sex Discrimination Act should be amended in relation to an exemption granted in the Act regarding the terms or conditions appertaining to a superannuation fund or scheme, and, if so, the form the amendment should take. The report looks at the existing legal position in Australia, the situation in other countries (including the European Economic Community directive). It then outlines the relevant provisions of the Sex Discrimination Act and looks at their operation; the relationship of insurance and superannuation is explored briefly. Current forms of discrimination are identified as they relate to conditions of eligibility. Retirement ages are examined; death and disablement benefit are also examined as are lump sum benefits, conversion factors and indirect discrimination in the operation of schemes. The next section of the report deals with implementation; it looks at existing schemes, presents guidelines for non-discriminatory schemes, and finally sets out methods of implementation.

The Commission concluded that, taking into account particular arrangements implied in sections of the Sex Discrimination Act and the extent to which

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superannuation schemes are already, in the main, non-discriminatory, then the simple repeal of a specific section, S.41(1), would be the most appropriate action. Superannuation schemes would then be required to comply with the provisions of the Sex Discrimination Act. This would mean 'that schemes presently using actuarial data would not be allowed to use it in the same way as insurance companies'. The Commission recommended a transitional period for existing schemes and also makes recommendations for certain exemptions. All superannuation schemes should contain the same retirement age for men and women and the Commission expresses the view that amendment of the Social Security Act is desirable, to provide for non-discriminatory ages of retirement. A recommendation is made about payment of dependant's benefits to spouses and those in de facto relationships, provided the benefits are given regardless of sex. Other recommendations are made with regard to administration of the recommended changes.

#### POLICY, SUPERANNUATION, WOMEN

- 243 Hutton, Sandra and Peter Whiteford (1992), *Women and Social Security in Retirement: A Comparative Analysis*, LIS Working Paper No.82, Luxembourg Income Study, Luxembourg, 41pp; also published in *Social Security 50 Years After Beveridge*, Volume 4, International Conference, University of York, European Institute of Social Security, 49-67.

'In recent years, the principle of equal treatment of men and women in social security has been given increasing attention,' and it seems 'likely that the degree of equality of treatment of men and women in retirement income systems will come to be increasingly prominent in evaluations of social security policy. Social security systems have a range of objectives, however, including income replacement and poverty alleviation, as well as equal treatment...As a preliminary hypothesis, it seems likely that social security systems that give greater weight to income replacement through earnings-related benefits or alternatively seek to encourage private provision for retirement will tend to result in greater inequality between men and women than systems that provide flat rate benefits or emphasise poverty alleviation...Pension systems that rely on private provision will tend to favour those who have been able to save for retirement, and men have traditionally been much more likely than women to be in full-time employment. Earnings-related benefits will also tend to reproduce in retirement the inequalities that have existed in employment. The objective of this paper is to explore these issues through a comparative study of the position of women in the retirement systems of the United Kingdom, France, the Netherlands and Australia' using data from the Luxembourg Income Study (LIS) for the mid-1980s. It reviews the literature, both theoretical and empirical, and argues that the position of women in retirement has been neglected in both these fields. It provides background data on the countries included and presents the results of analysis of the LIS data, with a discussion of the implications of the findings.

#### COMPARISONS, COVERAGE, POLICY, SUPERANNUATION, WOMEN

- 244 Hutton, Sandra and Peter Whiteford (1994), 'Gender and retirement incomes; a comparative analysis', in Sally Baldwin and Jane Falkingham, eds, *Social Security and Social Change: New Challenges to the Beveridge Model*, Harvester Wheatsheaf, London, 199-215.

'The objective of this chapter is to assess the extent to which different social security systems promote equal treatment of men and women in retirement. The chapter compares the position of women in the retirement income systems of the UK, France, the Netherlands and Australia, using data from the Luxembourg Income Study (LIS) for the mid-1980s.' It includes relevant details of the social security arrangements of the countries in the analysis; a review of the literature dealing with difference between welfare states, types of retirement income arrangements and their outcomes; a discussion of the likely impact of differing social security arrangements; the details of the hypothesis tested on the LIS data; and the results found, along with a discussion of the implications of the findings.

'The Australian system provides the lowest absolute levels of income of any system, and the highest incidence of relative low income, but does rather more to equalise the circumstances of single men and women.' The authors conclude that the level of social transfers may not be independent of the form in which they are provided.

#### COMPARISONS, POLICY, WOMEN

- 245 Ingleby, Richard (1990), 'Superannuation and divorce', *Australian Law Journal*, 64(5), May, 244-65.

This paper 'outlines the legal rules governing the relationship between superannuation and divorce in Australia', examining such issues as: whether superannuation is property; the question of deferred orders in regard to prospective entitlements; adjourned hearings; and superannuation as a factor to be taken into account in property orders or maintenance orders. It outlines some superannuation options rejected by the courts and then describes current practice in comparison with other jurisdictions. Some possible reform options are discussed with regard also to problems which may be encountered.

#### DIVORCE, SUPERANNUATION

- 246 Ingles, David (1982), *Financing Social Security: An Analysis of the Contributory 'Social Insurance' Approach*, Research Paper No. 19, Development Division, Department of Social Security, Canberra, 94pp.

This paper discusses the difference between Australia's heavy reliance on general revenue finance for social security programs and the social insurance principle used in most other countries. The social insurance principle depends on contributions from individuals and involves benefits which relate to those contributions or the earnings of those individuals, while the Australian system results in flat-rate benefits

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to means-tested individuals. The arguments are canvassed and the reasons for Australia's rejection of a contributory system are examined. The ability of contributory finance to help the poorest is a central point of discussion. The author concludes that 'the social security financing issue is not simply a question of the case for or against a social insurance approach, but rather a large range of possible permutations and combinations. A number of complex economic, social and political judgements are required in evaluating the options'.

## POLICY

- 247 Ingles, David (1986), 'Dividing up the nest eggs', *Australian Society*, 5(3), March, 19-22.

The article discusses implications of the extension of private occupational superannuation as negotiated by the ACTU and the Federal Government under the most recent Accord. 'Clearly, other options are cut off. Those who had seen the future in national superannuation, or in a reformed age pension system, will be disappointed'. The author discusses such issues as the income redistribution effects, the concessions for occupational superannuation, vesting preservation of superannuation and other options available to the government in provision of retirement income. He concludes that occupational superannuation implies an earnings-related structure to retirement benefits; the age pension will remain as an important safety net; its adequacy, financing and eligibility conditions will continue to be major issues.

## POLICY, SUPERANNUATION, TAXATION

- 248 Ingles, David et al. (1982), *Taxation Expenditures*, Research Paper No. 17, Policy Review Branch, Development Division, Department of Social Security, Canberra, 47pp. Other authors: Wayne Jackson, Andrew Podger and Judy Raymond.

This paper is a submission by the Department of Social Security to the Inquiry into Taxation Expenditure by the House of Representatives Standing Committee on Expenditure. It defines 'tax expenditures and looks at their scope. One section looks particularly at the extent and cost of superannuation tax concessions'. 'Although the objectives of social security and superannuation tax concessions overlap, there is clearly some difference in emphasis. The primary purpose of social security payments to the aged is to provide a "floor" of income support in retirement beneath which no-one can fall, although the tapered income test applied to those payments is also designed to maintain some rewards for self-provision. Superannuation, by contrast, is primarily concerned with maintaining prior levels of living standards in retirement.' The paper draws attention to the different emphasis given in Budget Papers to the two systems, which is 'reflected in the relative immunity of the tax concessions from expenditure reviews, by contrast with the

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continuing pressure to refine and extend the tests of "need" applied to social security provisions'. The submission also points out that 'superannuation tax concessions appear to disproportionately benefit higher income earners - perhaps to a degree which would be unacceptable if they were made in the form of cash payments'. Another inconsistency is that, 'while superannuation tax concessions operate to raise net returns to this form of retirement saving, the income test applied to age pensions has the effect of diminishing net returns', so that income test on pensions is likely to work counter to the savings incentives promoted by the tax concessions. This would be offset if there were restrictions on the amount of superannuation benefits that could be taken as a lump sum, or if there was an assets test, though those who have no access to tax-subsidised savings would continue to be relatively disadvantaged.

An estimation of the cost of superannuation tax concessions is attached.

#### PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 249 Institute of Public Affairs (1984), 'Commonwealth superannuation: time to restore equity', *IPA Review*, 37(4), Summer, 164-7.

'The Commonwealth Government is concerned about the cost of retirement incomes to the taxpayer... This article outlines a proposal which has the advantage of being politically saleable, makes economic sense and would help restore equity.' The solution proposed is based on a public sector superannuation scheme set up for university and CAE staff in Australia.

#### POLICY, SUPERANNUATION

- 250 Jamrozik, Adam (1983), 'Ageing and income support', *Australian Journal on Ageing*, 2(2), May, 28-34; also in Adam Graycar, ed. (1982), *Age Care - Whose Responsibility?*, papers given at a Symposium held on 10 March 1982, SWRC Reports and Proceedings No. 20, Social Policy Research Centre, University of New South Wales, Sydney, 13-28.

'This paper considers four aspects of income support for the aged: the significance of income in retirement and old age; the allocation of funds by the Commonwealth for assistance to the aged; the issue of equity in the allocations; and the possible options for change in the present system of allocation'. The author suggests that the issue of income support for the aged be removed from the area of party politics and placed 'in the hands of a statutory body such as an Income Maintenance Commission that would operate along the lines of the Conciliation and Arbitration Commission, not necessarily with the same powers but with the power to determine feasible and appropriate rates of income support for various dependent groups and recommend the means for their implementation'.

#### POLICY

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- 251 Jamrozik, Adam, Marilyn Hoey and Marilyn Leeds (1983), 'Occupational welfare: supporting the affluent', in Adam Graycar, ed., *Retreat from the Welfare State, Australian Social Policy in the 1980s*, George Allen and Unwin, Sydney, 55-73.

The nature of occupational welfare is discussed and the part played by employment benefits in the welfare of employees is compared with that of social and fiscal welfare. Occupational welfare represents a substantial public expenditure, either through taxation revenue forgone (estimated to be about \$5000 million in 1980/81) or as 'production costs passed on to the public in higher costs of goods and services'. Data are presented on occupational welfare in Australia which demonstrate that benefits are distributed to the more affluent in the workforce. As superannuation is one of the most significant of these benefits, 'rewards provided through the means of occupational welfare continue the effects of the stratification of the labour market into retirement and old age'. Occupational welfare is thus 'hidden welfare' whose main beneficiaries are not seen as recipients of public welfare, though there is no essential difference in terms of source of funds.

#### SUPERANNUATION, TAXATION

- 252 Jones, Gar (1988), 'Pensioners and the investment dilemma', *Impact*, 18(7), October, 7-8.

'The recent pension income-test controversy has brought into focus once more, the conflict between the concept of a universal pension... and the current, reverse image... of a system that combines both an income and an assets test.' The article is concerned with the effects of income gained from market-linked investments on the income testing process.

#### INVESTMENT, MEANS TEST, PENSIONS

- 253 Jones, M.A. (1990), 'The old or the young?', in M.A. Jones, *The Australian Welfare State: Origins, Control and Choices*, third edition, Allen and Unwin, Sydney, 110-41.

'This chapter examines Australian social priorities in terms of a conflict between the young and the old.' It discusses the 'dependency ratio' and its implications. 'The current aged are receiving benefits paid for by those currently working, and the current workforce will expect to obtain similar benefits when they retire. There is no guarantee that the current workforce will be able to obtain benefits as generous as those that exist in 1989. An ageing population and a slow-growing economy may limit future benefits.' The author compares the Australian situation with that in a number of other countries and finds that the Australian aged are 'surprisingly heavily dependent on the aged pension, despite rising real living standards for the past 30 years'. He discusses ways of solving this aged dependency crisis and the ways in

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which retirement income provision could be privatised, through occupational superannuation and taxation.

## COMPARISONS, DEMOGRAPHY, POLICY

- 254 Kaim-Caudle, P.R. (1981), *Cross-National Comparisons of Social Service Pensions for the Elderly*, SWRC Reports and Proceedings No. 14, Social Policy Research Centre, University of New South Wales, Sydney, 47pp.

Social service pensions are only one component in a complex system of support for the elderly. The purpose of this report is to attempt a largely factual comparison of this one aspect of income support. 'It aims to provide for six industrial countries a greater understanding of the similarities and differences in these pensions'. The author uses mostly official government publications as sources in this comparison of New Zealand, Australia, Britain, Canada, the German Federal Republic and the United States of America.

In making the comparisons Kaim-Caudle looks at a number of distinct characteristics. The **nature** of the schemes may be social insurance pensions subject to contributing conditions, demogrant pensions subject only to resident qualifications or social assistance pensions subject to residents qualifications and income or means tests. Schemes may be **financed** out of general revenue, by flat rate or earnings-related contributions in different shares by employees, employers or both, or from contributions of the self-employed. The author also looks at the extent to which contributions are progressive, proportionate or regressive over different bands of income and the extent to which contributions may be tax deductible. The **population** covered may vary as to sex, age, marital status, employment status, occupation and industry. **Entitlement** may vary with minimum retirement age specified, sex, residence, retirement, level of earned income, level of non-earned income and contribution conditions. **Benefits** may be at a flat rate or earnings related, abated for other income, assessed in relation to earnings in a specified period, based on different methods of revaluing past earnings, related to wage at retirement, vary with marital status or household status, have different minimum and maximum rates and different income replacement ratios according to levels of income. Benefit levels of persons who are identical in all respects may be related to lifetime or recent pre-retirement earnings, average or median earnings of all employed or males only, national disposable income per head, or post-tax or pre-tax income of averages. Finally, the author looks at **equity** between men and **women** in the provisions of survivors pensions, pensions to wives with no or limited employment record, what happens in the case of divorce, the minimum pension age and the recognition of time spent on 'home responsibilities' in pension assessment. No reference is made to adequacy of the pensions or to poverty among the elderly.

Within the framework described in these characteristics, there is a description of the pension provision in each of the countries. A summary then adds comparative data on such aspects as the administrative expenses, and the expenditure on social service

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pensions for the elderly in each country, as well as briefly outlining the differences and similarities.

#### COMPARISONS, PENSIONS, WOMEN

- 255 Kalisch, David (1992), 'Superannuation and the age pension: double-dip or top-up', in Economic Planning Advisory Council, *Economic and Social Consequences of Australia's Ageing Population - Preparing for the 21st Century*, Background Paper No. 23, Office of EPAC, AGPS, Canberra, 73-93.

'This paper examines the extent to which superannuation contributes to better retirement incomes and its interaction with Social Security income support arrangements. A key issue is the so-called "double-dipping" phenomenon, where retirees or job-changers dissipate their tax-assisted superannuation payout on "reckless living" prior to age pension eligibility age and/or structure their financial affairs to maximise their age pension payment.'

The paper documents the key features of existing superannuation and Social Security arrangements and their interaction. It then considers 'the data available to indicate the pervasiveness, or otherwise, of the double-dipping phenomenon, covering both intentions towards the level of retirement income and disbursement of superannuation lump sum benefits'.

The evidence indicates that saving for retirement is a priority for most people and that a majority are willing to use their income on superannuation contributions to maintain an income comparable to or just below their pre-retirement incomes. Few people would be content with the pension, though there is considerable support for provision of a universal age pension. Department of Social Security statistics show that lump sums are mostly invested in rollover funds or other types of investments or in paying off the family home. There is no evidence of wide-spread double-dipping, nor of behaviour directed towards establishing age pension eligibility or increasing the level of pension. However, with the anticipated growth in the average level of superannuation benefits and the level of lump sums available there could be a greater likelihood of double-dipping in the future. The Government has announced some measures which should limit the scope and the incentive for this kind of activity. These include increased preservation of contributions and benefits, raising the preservation age and limiting lump sum benefits as compared with pensions or annuities.

#### DOUBLE DIPPING, LUMP SUMS, PENSIONS, POLICY, SUPERANNUATION

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- 256 Kalisch, David and Nigel Patterson (1994), 'Australia's retirement incomes system: 'double dipping' and consumer attitudes', in David Knox, ed., *Superannuation: Contemporary Issues*, Longman Professional Publishing, Melbourne, 67-82.

This paper is concerned with the interaction between the age pension and superannuation benefits. The discussion on double dipping concludes that its incidence depends on the size of the superannuation end benefit (the lump sum payout); where they are modest, double dipping is not a pervasive problem. Evidence for this was produced by a number of surveys undertaken in the early 1990s. One of these, the Research Report on the Benefit of Saving for Retirement through Superannuation, conducted by Brian Sweeney and Associates, asked about attitudes to superannuation, revealing confusion and limited understanding of the issue. The authors recommend community education on 'how much and for how long savings are needed to produce a reasonable retirement benefit'.

#### ATTITUDES, DOUBLE DIPPING, LUMP SUMS, PENSIONS, SUPERANNUATION

- 257 Keating, P.J. (1983), 'Taxation arrangements for lump sum payments', *Labor Forum*, 5(2), June, 17-19.

This paper, a statement by the Treasurer, discusses the changes, announced in May 1983, to taxation arrangements for lump sum payments. It begins by explaining the need for the changes in terms of equity, possibility of double dipping and of tax avoidance. The nature of the changes made are explained and the improvements they will achieve are described. The Treasurer also replies to criticisms levelled at the changes.

#### DOUBLE DIPPING, LUMP SUMS, TAXATION

- 258 Keating, P.J. (1984), 'Speech to Life Insurance Federation', *Commonwealth Record*, 9(22), 28 May-3 June, 990-3.

This is the text of a speech by the then Treasurer to a seminar arranged by the Life Insurance Federation of Australia. It describes the government involvement in the provision of retirement income and notes the problems discovered during the review of the social security system carried out in the early years of the Labor Government's term of office. The Treasurer then outlines 'some of the important decisions that the government has taken in pursuing improvements in retirement income arrangements'. Taxation of lump sums and related changes are described. Another issue discussed is the coverage of occupational superannuation along with problems associated with portability and other operational standards. The speech then turned 'to the important question of national superannuation', an issue which 'must be approached with great caution'.

#### LUMP SUMS, NATIONAL SUPERANNUATION, POLICY, SUPERANNUATION, TAXATION

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- 259 Keating, P.J. (1991), 'Necessary superannuation reform', edited address by the Treasurer to the Conference of Major Superannuation Funds, Wollongong, in *The Super Tax Rort*, ACTCOSS Occasional Paper, 35-9.

Superannuation has been developed as the Government's preferred savings vehicle, underpinned by tax concessions, justified by the role superannuation is to play in retirement incomes policy and by the contribution it will make in correcting the savings/investment imbalance. The address deals with regulations concerned with the regulation of superannuation funds and their trustees. 'There are two main ways in which the Government can help funds follow sound and well balanced investment strategies. The first of these, which we have pursued through our taxation and superannuation reform measures since we came to office, is to cut away all the distortions in the tax system which made investment decisions depend more upon the tax implications than upon the real merits of the investment. The second is to get the inflationary pressures and the speculative influences that go with them out of the system.'

#### FUNDS, INVESTMENT, SUPERANNUATION, TAXATION

- 260 Kelley, Allen C. (1988), 'Australia: the coming of age', *Australian Economic Papers*, 82(2), Winter, 27-44; a version of the Downing Lecture presented at the University of Melbourne, May.

'Australia faces a relatively favourable demographic future: ageing is proceeding at a slower pace here, the pattern of the labour force ageing is conducive to restructuring in the intermediate future, and a well-established immigration policy can be used to accommodate demographics with social and economic goals. The financing of social services for the aged will produce fewer concerns here partly because of less immediate demographic pressures and partly because of the orientation of the age-pension system. Provided there are increasing investments in today's youth, then chances of longer term productivity retardation from ageing will be lessened and the necessary funding base for aged welfare secured.'

#### DEMOGRAPHY, PENSIONS

- 261 Kendig, Hal L. (1984), 'The cumulation of inequality: housing costs and income support in old age', *Australian Journal on Ageing*, 3(1), February, 8-15; republished as 'The economic environment for retired people', in Ross Thorne, ed. (1986), *The Housing and Living Environment for Retired People in Australia*, Hale and Ironmonger, Sydney, 91-106.

'Housing inequalities accumulate over the life course and take on their greatest force in old age. Among the 95 per cent of older people who continue to live in the community, there is a polarisation between the majority of outright home owners and the minority of permanent private tenants. This article identifies the effect of housing tenure and related public policies on standards of living in retirement. Most

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importantly, it concludes that increases of Supplementary Assistance are an immediate priority. A major restructuring of taxation, pension, and housing policy is recommended to resolve the more fundamental problems.'

#### ADEQUACY, HOUSING, PENSIONS, TAXATION

- 262 Kendig, Hal L. and John McCallum (1986), *Greying Australia: Future Impacts of Population Ageing*, The Migration Committee, National Population Council, AGPS, Canberra, 65pp.

This report discusses a range of issues arising from population ageing. One section deals with retirement income and expenditure. 'About 80 per cent of older Australians receive some pension payment and the rates may increase with the growth in numbers of "old" old (75 years and over) to 2001. Increasing rates are not expected to create any financial crisis but income support policy for the years 2011 to 2021 may require more radical policy responses, such as raising pension ages.' This section also discusses private superannuation which is 'primarily paid out in small lump sums and seldom provides long-term retirement income, leaving retirees with minimum incomes. Proposals for improvement in coverage through industry superannuation are liable to increase the numbers in the workforce who are covered by such plans'. Incomes must be increased to improve the lifestyle of retired Australians. The report looks at the implications of the increase in numbers and the impact on public expenditure.

#### ADEQUACY, COVERAGE, DEMOGRAPHY, POLICY, SUPERANNUATION

- 263 Kendig, Hal L. and John McCallum (1990), *Grey Policy: Australian Policies For an Ageing Society*, Allen and Unwin, Sydney, 226pp.

'This book was designed in response to the expanding demand for information on policies which address ageing and older people. The purpose of the book is to review Australian policies for the elderly as interpreted by available experts writing in a range of policy areas. The major concerns are the processes of policy evolution and change as well as the effectiveness and equity of programs between age groups and within the older population.' The chapters are:

Ageing, policies and politics	Hal Kendig
Development of public policy for the aged	Sidney Sax
The politics of the assets test: the political peril in daring to attack 'home sweet home'	Marian Simms
Winners and losers in retirement income	John McCallum (q.v.)
Savings or the pension: the consequences of a new life cycle	Ian Manning (q.v.)
Ageing and housing policies	Hal Kendig
Health care for the aged	Gary Andrews and Susan Carr

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Community services: long-term care at home?	Judith Healy
Nursing home care policy: from laissez faire to restructuring	Anna L. Howe
Admitting nursing home residents: a case study in policy implementation	Victor Minichiello
The future of age policy: an optimistic view	John McCallum

#### HOUSING, MEANS TEST, PENSIONS, POLICY

- 264 Kennedy, Ian (1990), 'Treatment of superannuation and pensions in Family Court property proceedings', *Australian Journal of Family Law*, 4(3), November, 225-44.

'In this article the author examines the various solutions which the Family Court has adopted in trying to resolve the vexed problem of superannuation entitlement. The court has no decided policy on the appropriate method of dealing with the division of superannuation. They very sensible proposals for reform of this difficult area recommended in the Law Reform Commission Report on Matrimonial Property (the Hambly Report) appear unlikely to be recommended. More definite guidance from the Full Court would be of significant assistance.

The present approach of the court appears to be in favour of a reasonably simply calculation based on the realisable value of the superannuation benefit at the date of hearing. This is close to the recommendations of the Hambly Report which have the attraction of comparative simplicity and certainty. Unhappily, unless more statutory or Full Court guidance is given, practitioners and judges will continue to be plagued by the uncertainty which has afflicted this area of practice.'

#### DIVORCE, SUPERANNUATION

- 265 Kennon, E.P. (1987), 'Proposed occupational superannuation law changes', *Australian Tax Review*, 16(3), September, 204-9.

The article describes the major changes to superannuation brought about by three Bills introduced into the Parliament on 14 May 1987: the Insurance and Superannuation Commissioner Bill 1987, the Insurance and Superannuation Commissioner (Consequential Provisions) Bill 1987 and the Occupational Superannuation Standards Bill 1987. A major change is 'the removal of certain powers from the Commissioner of Taxation and the vesting of them in an independent Insurance and Superannuation Commissioner'.

#### SUPERANNUATION, TAXATION

- 266 Kerr, Roger (1989), 'Retirement income policies for a dynamic economy', *Policy*, 5(3), Spring, 23-8.

The problems associated with retirement income are far broader than the design of tax and benefit policies. 'Providing adequate income security for the present and future elderly is basically dependent on future economic performance.' 'This article discusses the economic management requirements that are fundamental to our ability to cater for the needs of retired people, outlines the scope for greater self-provision for retirement, and considers the government's role in providing income support for the elderly. There is also some discussion of alternative approaches that have been put forward.'

#### POLICY

- 267 Kewley, T.H. (1980), *Australian Social Security Today, Major Developments from 1900 to 1978*, Sydney University Press, 233pp.

The book includes two chapters on age pensions, one covering the period from 1900 to 1939, and the second from 1940 to 1978. They include historical information on the development and changes in the system for provision; data about the rates of payment; provision for wives; means tests; associated benefits; portability; and characteristics of recipients.

#### ELIGIBILITY, MEANS TEST, PENSIONS, WOMEN

- 268 Khoo, Siew-Ean (1994), 'Correlates of welfare dependency among immigrants to Australia', *International Migration Review*, 28(1), Spring, 68-92.

'This article examines the role of a number of factors, including migration category, birthplace, period of arrival, age, gender, educational background and employment status, in explaining immigrants' dependence on government pensions and benefits. Significant differences in welfare dependency were observed by birthplace and migration category even after controlling for age, education and employment status. Immigrants from Vietnam, Lebanon and Turkey were more likely than other immigrants to be dependent on welfare. Refugees were also more likely than other immigrants to be dependent on welfare; however the effect of refugee status on welfare dependency diminished with duration of residence in Australia.'

#### IMMIGRANTS, PENSIONS

- 269 Kingston, Geoffrey, Hazel Bateman and John Piggott (1993), *Equity, Efficiency and the Superannuation Guarantee*, Research Paper Series No. 13, Superannuation and Economics Research Group, School of Economics, University of New South Wales, Sydney, 30pp.

'Mass superannuation on the mandated funded model is already established in Switzerland and Chile. It has analogues in less developed or privatised form in Singapore and parts of Scandinavia. Among English speaking countries, Australia is leading the way, in the form of its Superannuation Guarantee (SG). This paper represents a further instalment in our program of research on the implications of the SG for equity and efficiency.'

The mandated funded approach is expected to surmount two problems: first the demographic problem and second problems associated with 'inequity and inefficiency inherent in public provision of age pensions and related social safety nets in the absence of offsetting policies. In particular, individuals who have enjoyed substantial lifetime economic resources will nevertheless have been tempted to arrange their personal finances .... so as to become eligible for a taxpayer-funded income stream.'

'Proceeding to local issues, this paper covers the following topics: double-dipping in the pre-existing system of heavy reliance on public age pensions; management of investment, inflation and longevity risks in the new system of private pension plans; inflated estimates of tax expenditures on superannuation; and recent tax arrangements accompanying the SG that continue to facilitate "salary-sacrifice" superannuation for high fliers, while tending to diminish long-term saving opportunities for the working poor and some women.'

#### COMPARISONS, DOUBLE DIPPING, SUPERANNUATION, SGC, WOMEN

- 270 Knight, E.S. and Co. (1983), *Review of the Commonwealth Superannuation Scheme, A Report to the Minister for Finance*, Department of Finance, AGPS, Canberra, 28pp + appendices.

The report was made to compare 'the advantage and/or disadvantages of the Commonwealth Superannuation Scheme with those of schemes available for comparable staff in the private sector and for State public servants'. The issues addressed are coverage, employer contribution, pension or lump sum payouts, benefits, special arrangements and funding. The report concludes that 'the level of Commonwealth Superannuation Scheme employer financed benefits and state scheme benefits is very generous and is extended to employees more widely than is the case in the private sector. The major benefits are of an "ideal" form, being principally an indexed pension, but that is a disadvantage when lump sum recipients are able to reduce the income tax payable and maximise their social security benefits'.

#### COVERAGE, LUMP SUMS, SUPERANNUATION

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- 271 Knox, David (1982), *Taxation and Employer-Sponsored Superannuation in Australia - A Review and Proposals for Change*, Working Paper 8201A, Centre for Studies in Money, Banking and Finance, Macquarie University, 31pp.

'Occupational superannuation arrangements are becoming increasingly important to employers, employees and the government. Yet the only Commonwealth legislation which significantly influences this area of the economy is the Income Assessment Act. However, these regulations present an amalgamation of inconsistent and irrational law.

This paper reviews the effect of this legislation on contributions by employees and employers, funds' investment income and the benefits paid to members whilst presenting alternative approaches based on the concept of "deferred pay, deferred taxation". The adoption of the discussed proposals would provide a framework for the continued development of occupational superannuation, reduce the lump sum/pension anomaly and continue the socially desirable objective of encouraging individuals to provide for their own retirement. The transition arrangements for the introduction of the proposals (as summarised in Section 7.1) would not be politically difficult as the increased tax on lump sum benefits could be phased in over many years, (say, at the rate of one per cent per annum) whilst the suggested contribution rebate could commence immediately.'

#### LUMP SUMS, SUPERANNUATION, TAXATION

- 272 Knox, David (1983), 'Employer-sponsored superannuation in Australia', *Current Affairs Bulletin*, 59(9), February, 4-13.

'This article provides a brief overview of the Australian superannuation industry, reviews the significant impact that Government legislation has on the industry's development and efficiency and considers some changes which may occur in the next ten years'. Some issues discussed are the payment of lump sum benefits, the differences between private and public sector schemes, investment of funds, taxation concessions and provisions, social welfare benefits and the practice of 'double-dipping', and some future developments such as the regulation of vesting, preservation and portability, sex discrimination and suggestions for national superannuation.

#### DOUBLE DIPPING, LUMP SUMS, PENSIONS, POLICY, SUPERANNUATION

- 273 Knox, David (1983), *IPA Report on Occupational Superannuation in Australia*, Institute of Public Affairs (NSW), 12pp.

The paper reviews occupational superannuation following the announcement of proposals by the Federal Government to increase the tax on lump sum payments and alter the legislation relating to guarantees. It looks at taxation concessions for superannuation at lump sum benefits, the need for preservation and portability and

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identifies a number of problems. These relate to 'double dipping'; to the low rate of taxation on lump sum benefits vis-a-vis pension benefits; to the difficulties in maintaining the real value of post-retirement income; the problem of longevity for lump sum recipients; and the lack of preservation and portability. The proposed changes alleviate some of these difficulties but create others.

#### DOUBLE DIPPING, LUMP SUMS, PENSION, POLICY, SUPERANNUATION, TAXATION

- 274 Knox, David M. (1986), 'Occupational superannuation in Australia: present and future', in Ronald Mendelsohn, ed., *Finance of Old Age*, Centre for Research on Federal Financial Relations, Australian National University, Canberra, 35-50.

'Employer-sponsored superannuation arrangements in Australia began in the mid-nineteenth century with the South Australian civil servant scheme (1854) and the Bank of New South Wales pension plan (1862). However, development of superannuation schemes was very slow before World War II, with most plans being restricted to salaried employees of governments, financial organisations or large manufacturing companies. The reasons for these early plans were varied but included the recruitment and retention of staff, a desire to improve efficiency through the retirement of older employees, humanitarian reasons, the presence of taxation concessions and as a fringe benefit for certain employees'. This chapter presents data on coverage and benefits in the post-war period and on the assets held in superannuation schemes. It also discusses some of the problems associated with the schemes, including portability.

#### COVERAGE, POLICY, SUPERANNUATION, TAXATION

- 275 Knox, David M. (1987), *Taxation Support of Superannuation in Australia: Its Costs, Equity and Efficacy*, Research Study No. 7, Australian Tax Research Foundation, Sydney, 68pp.

Government support for occupational superannuation in Australia began with the introduction of income tax in 1915, when most contributions were tax deductible, investment income was tax exempt and lump sums were taxed on a concessional basis. The value of this support has increased with rises in income tax rates, increase in superannuation coverage and since superannuation has become an increasingly important component of remuneration packages and industrial awards. 'The introduction of increased tax rates on lump sum benefits from 1983 and the total removal of the rebate for employees' contributions from July 1985 has reduced the level of the concessions but it has been suggested by many writers that significant concessions remain.'

A major purpose of this paper is to assess the presence and size of any concessions that exist under these revised taxation arrangements. A recent estimate by the

Federal Treasury values the tax concessions in 1985-86 at \$3.1 billion. It is argued in this paper that this figure is very misleading. It is based on a single year snapshot and balances contributions and investment income in respect of future beneficiaries against the tax paid on the benefits received by other individuals. It also: underestimates the effect of the higher lump sum rates on existing members; assumes that the tax rate paid on investment income should be the same as the marginal rate; and ignores any behaviour modification that will result from changes in the taxation arrangements.

This paper develops a projected cash flow model to estimate the value of government support on an individual basis throughout the period of superannuation fund membership. A sensitivity analysis highlights the critical variables and a range of results is presented. Important variables include the individual's tax rates and the contribution split between the employer and employee. Results show that the value of government support is skewed towards higher income earners, as the current lump sum tax rates offer a greater concession to those on higher marginal tax rates. Existing concessions are also examined using the model and are valued in the vicinity of \$2 million, mostly directed towards high income earners. The model also allows for the reduction in age pension costs and shows government savings with regard to low and middle but no high, income earners. Recommendations are made to improve the efficacy and equity of the system.

#### LUMP SUMS, MEASUREMENT, SUPERANNUATION, TAXATION

276 Knox, David M. (1990), *A Review of the Options for Taxing Superannuation*, Information Series 2, Australian Tax Research Foundation, Sydney, 93pp.

There is growing interest in the taxation of superannuation and pension plans and questioning of a number of the fundamental assumptions that have been accepted for many years. The reasons for this renewed interest include: the need to provide economic security for increasing number of retirees who will result from the ageing of the population; the increase in the projected cost of social security schemes as the aged dependency ratio rises and the increase in the size of benefits; the concept of tax expenditures, or the value of tax concessions, which indicates that the taxation support provided to occupational superannuation schemes is a large government budget item; an awareness that this support is primarily received by higher income earners who have higher coverage rates and receive relatively larger benefits, with a result which runs counter to the progressive income tax system adopted by almost all countries; and an expansion in the proportion of the workforce covered by occupational superannuation, and interest in superannuation shown by the Union movement.

This publication 'attempts to review the issues involved in establishing a taxation system for superannuation. It is primarily concerned with the taxation of occupational superannuation and pension plans, as distinct from any national pension plan or Social Security'. The first chapter provides an introduction to the

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development of occupational superannuation while Chapter 2 sets out the taxation alternatives available. Chapter 3 discusses and evaluates government support for superannuation. The next three chapters consider the options available for the taxation treatment of contributions, fund investment income and benefits. Finally, Chapter 7 sums up the alternatives and proposes a reduction in the normal level of support provided. 'The introduction of tax rebates for employee contributions, the existence of a taxation bias in favour of pensions and further moves to encourage preservation until final retirement will provide Australia with a more efficacious and equitable system of taxation, superannuation and Social Security.'

#### COVERAGE, POLICY, SUPERANNUATION, TAXATION

- 277 Knox, David M. (1991), *Tax, Super and the Age Pension: the Issues of Cost, Equity and Incentives*, ATRF Research Study No. 14, Australian Tax Research Foundation, Sydney, 72pp.

The taxation of occupational superannuation has undergone fundamental reform since 1983. 'Yet, there has been no comprehensive study of the long term effects of these changes, or the recently announced changes to the age pension arrangements, on the development of a rational program to provide retirement incomes to Australians into the next century. It is the aim of this study to help overcome this deficiency and to assist in the continued development of a fair and efficient set of arrangements for the provision of retirement incomes.'

The paper reviews the tax changes that have occurred then provides a critique of three major studies that have been previously completed. A new model is developed, avoiding the flaws revealed in those studies, enabling 'the long term cost of the taxation support provided to superannuation to be calculated and then, after allowing for the age pension saving and any post-retirement taxation, expresses the cost to the government as a percentage of providing a full age pension to each individual'.

'It is shown that the 1988 superannuation tax changes will cost the government revenue over the long term although the distribution of the level of support is now more equitable between income levels. However, the net cost to the government of the arrangements, after allowing for the various offsets, is less than 20 per cent of the cost of the full age pension at all income levels, using the most realistic set of assumptions'. It is also shown that Federal Treasury estimates of the cost of tax concessions to superannuation are not useful for long term planning and an alternative approach is developed. The research also calculates the rate of return that members will receive from their superannuation investment under a variety of conditions, with allowance for the age pension reduction, showing that for some members superannuation is not an attractive financial proposition, particularly in an era of high interest rates, and raising questions about the most appropriate action for unions to pursue in respect of the second round of three per cent award superannuation. Recommendations are made for changes in taxation rebates, the rate

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of the income test on the age pension, and the tax rate on lump sum retirement benefits. These changes would provide a greater incentive for members to contribute to superannuation, better integration between the age pension and superannuation, and a significant financial incentive for benefits to be taken in pension form.

#### LUMP SUMS, MEANS TEST, MEASUREMENT, PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 278 Knox, David M. (1992), 'The objectives and distribution of the taxation support provided to occupational superannuation in Australia', in Kevin Davis and Ian Harper, eds, *Superannuation and the Australian Financial System*, Allen and Unwin, Sydney, 64-83.

'Any proposed changes to the tax system of superannuation should encourage additional savings to reduce future social security payments, be broadly equitable, be simple to understand and administer and be largely revenue neutral for the Federal Budget. If such a system can be introduced, Australia will have the opportunity to introduce a stable bipartisan approach to its superannuation policies which will have long-term benefits for the economy.'

#### POLICY, SUPERANNUATION, TAXATION

- 279 Knox, David M. (1993), *Australian Superannuation: the Facts, the Fiction, the Future*, Research Paper No. 1, Centre for Actuarial Studies, University of Melbourne, 23pp.

The paper addresses the issue of superannuation in Australia by discussing a number of areas: growth in coverage; role of the employer; benefit to the individual; behaviour of trustees of superannuation funds; taxation; contribution rates; relationship with the age pension; and government expenditure.

#### COVERAGE, FUNDS, SUPERANNUATION, TAXATION

- 280 Knox, David M. (1993), 'Taxing superannuation in Australia: the costs and benefits of the alternatives', *Australian Tax Forum*, 10(1), 39-74.

'The taxation of superannuation has been subject to significant changes during the last decade. The Federal opposition in its *Fightback!* document proposed a radical reform of the existing arrangements. This paper compares these two systems of taxation with a taxed savings benchmark to assess the cost to the government of providing this taxation support to occupational superannuation. The cost figures, which also allow for any age pension saving, are expressed both as a percentage of the full age pension cost and as a series of cash flows. In addition, the individual member's post-retirement income position is analysed under the three alternatives.

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The paper concludes that tax supported superannuation can be a very cost effective method for the government to assist with the provision of retirement income for Australians provided that it is funded over the long term, with a significant level of contributions and with restructured lump sum payments. In addition, the paper highlights the need for better integration of the age pension (and suggests a method of achieving this), for adjustments to the tax treatment of the capital component of annuities and for increased bipartnership in formulating superannuation policies.'

#### LUMP SUMS, PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 281 Knox, David M. (1994), 'The relationship between the age pension and superannuation benefits, particularly for women', in *Women and Superannuation, Selected Seminar Papers*, EPAC Background Paper No. 4, Office of Economic Planning Advisory Council and Office of the Status of Women, AGPS, Canberra, 49-60; also appears as Research Paper No. 12, Centre for Actuarial Studies, University of Melbourne, 12pp.

'Australians receive retirement income from three major sources: the government funded means tested age pension, the government supported and privately funded superannuation system, and private savings. During the last decade the Government has made many changes to both the age pension and the superannuation systems. Some of these changes have resulted from a very clear policy to shift the future provision of most retirement income from the age pension to the superannuation system.' This paper explores some links between the two, and examines some of the problems women meet in the area of retirement income. Some alternatives for improving the integration of the two systems are discussed.

#### PENSIONS, SUPERANNUATION, WOMEN

- 282 Knox, David, ed. (1994), *Superannuation: Contemporary Issues*, Longman Professional Publishing, Melbourne, 230pp.

'This volume contains the revised versions of papers presented at the First Annual Colloquium of Superannuation Researchers ... The early chapters tend to concentrate on policy analysis, design issues and macro-economic, equity and efficiency issues', while the later chapters cover topics of more specific interest.

Current issues from the industry's view	Brian Scullin
Superannuation and national saving: much ado about nothing or all's well that ends well?	Vince Fitzgerald
Tax expenditures and measuring the long term costs and benefits of retirement income policy	Colin Brown (q.v. 1993)

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Equity, efficiency and the Superannuation Guarantee	Hazel Bateman, Geoffrey Kingston and John Piggott
A critique of the direction of current superannuation developments using a simulation approach	David Knox (q.v.)
Australia's retirement incomes system: 'double dipping' and consumer attitudes	David Kalisch and Nigel Patterson (q.v.)
Allocated pensions - a technical overview	Cary Helenius (q.v.)
Determinants of financial disclosure practices by Australian publicly - offered superannuation funds	Paul Klumpes
The identification and classification of the attributes and benefits of personal superannuation in Australia	Tony Ward
Women in education: superannuation and early retirement	Margaret Patrickson, Linley Hartmann and Leonie McCarron (q.v.)
Superannuation and small business	Tapen Sinha and Rebecca Benedict
Compulsory occupational superannuation: forsaking individual protection for the national interest	Sue Taylor and Paul Little (q.v.)
Financial reporting by superannuation funds: contracting and political costs of accounting regulation	Natalie Gallery
A discussion of some issues in relation to the taxation of excess benefits paid from a superannuation fund	Jocelyne Boujos (q.v.)
<p>In his own chapter, 'A critique of the direction of current superannuation developments using a simulation approach', the editor discusses 'the shortcoming of a national defined contribution based superannuation system'. The variation in the size of the final retirement benefit is highlighted through the use of simulated results. The question as to whether a long term contribution rate of 12 per cent is sufficient is also raised and answered in the negative for many individuals. Finally, the risk associated with the payment of lump sums and the subsequent purchase of an annuity is discussed.</p>	
<p>ANNUITIES, ATTITUDES, DOUBLE DIPPING, FUNDS, LUMP SUMS, MEASUREMENT, SUPERANNUATION, SGC, TAXATION</p>	

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- 283 Knox, David M. (1995), 'The age pension: means tested or universal', *Australian Economic Review*, 111(3), July-September, 107-110.

This article discusses the arguments for and against the existence of a means test in respect of the age pension in Australia, in the context of the recent introduction of a superannuation scheme with compulsory employer contributions supported by private sector administration and investment. The author suggests that 'a better retirement income framework is to provide all Australians ... with the age pension. It is also suggested that the extra taxation revenue required could be received from a combination of a taxation surcharge on high income individuals and/or large superannuation benefits as it is these individuals who will receive the greatest additional benefit from a universal pension'. This will 'encourage long-term savings and discourage the early dissipation of accumulated superannuation benefits'.

#### MEANS TEST, PENSION, SGC, TAXATION

- 284 Kovacs, Dorothy (1987), 'How separating spouses stretch the superannuation dollar', *Law Institute Journal*, 61, January/February, 60-5.

'Since the inception of the Family Court, superannuation entitlements have been the scourge of many property settlements. Initially inclined to disregard them altogether, the Court has proceeded from a general approach of taking these entitlements into account to a more exact and scientific means of ascertaining the amount and allocating a share to the non-contributing spouse. But the quest for greater precision seems to have thrown up as many problems as it seeks to resolve.' The article discusses problems associated with 'quantification' and with decisions about the portion to be awarded to the non-contributing spouse. There is a further problem associated with what should be done where there are insufficient present funds to divide at the time of the settlement. Changes in superannuation which relate to payment of lump sums may further complicate the situation.

#### DIVORCE, LUMP SUMS, SUPERANNUATION

- 285 Krever, Dick (1988), 'An immoral welfare program', *Australian Society*, 7(5), May 9.

The author discusses taxation concessions on contributions paid into superannuation funds and the taxation of superannuation payments. He suggests the institution of tax credits or remissions instead of a deduction or exemption. The proposals made by the Australian Council of Social Service are discussed. However, basic reform is necessary and the author believes the ACTU holds the key.

#### POLICY, SUPERANNUATION, TAXATION

- 286 Krever, Rick (1988), 'Superannuation tax reform: a question of equity', *Impact*, 18(4), July, 14-16.

'After 68 years of inequality, the government attempted its first reform of the tax subsidy for retirement savings in 1983, when the total tax exemption for 95 per cent of lump sum superannuation benefits was replaced with a low concessional tax rate applicable to such amounts. Five years later, the government has attempted broader reform, but retained the fundamental structure of the original subsidy system. It is a system that encourages retirement savings by providing greater subsidies for the rich than for the poor. It is a system that encourages taxpayers to support themselves by taking lump sums which can be consumed immediately upon retirement rather than guaranteed pensions which will last for the taxpayers' lives.' The article enlarges on these criticisms.

#### DOUBLE DIPPING, LUMP SUMS, SUPERANNUATION, TAXATION

- 287 Krever, Rick (1989), 'The plain guide to the super sage', *Australian Society*, 8(10), October, 36-7.

The article is concerned with tax concessions (or tax subsidies) given people saving for their retirement. The cost of these concessions has accelerated, and they are inefficient and inequitable: the largest government subsidies go to the wealthy; there are smaller subsidies for middle-income earners and very little or no aid to the lowest earners. Issues discussed include lump sums, changes introduced to reduce the subsidy and to cap the extent of exploitation, extended access to employees and preservation and vesting of funds. The author canvasses the possibility of further changes.

#### LUMP SUMS, SUPERANNUATION, TAXATION

- 288 Lansbury, Russell (1981), 'Older workers and retirement', in Anna L. Howe, ed., *Taxation an Older Australia*, University of Queensland Press, 237-53.

The chapter discusses patterns of retirement and the impact of ageing on workforce structure in Australia. A section on retirement incomes presents figures for the principal sources of income for the aged in 1974 and discusses current proposals for superannuation schemes.

#### DEMOGRAPHY, SUPERANNUATION

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- 289 Lark, P. (1984), 'Superannuation, termination of employment and kindred payments', *Taxation in Australia*, 19, October, 353-67.

The article discusses the provisions of amendments to income tax law affecting the taxation of lump sums in the *Income Tax Assessment Act* (No. 3) 1984 which brings into law the changes announced earlier by the Treasurer.

#### LUMP SUMS, TAXATION

- 290 Larkin, John (1994), 'Occupational link - eligibility and the "Two Year Rule"', in *Women and Superannuation, Selected Seminar Papers*, EPAC Background Paper No. 41, Office of Economic Planning Advisory Council and Office of the Status of Women, AGPS, 61-72.

This paper begins with the premise that 'superannuation is a tax preferred savings vehicle'. The focus of the paper 'is on the rule in the Occupational Superannuation Standards (OSS) Regulations which regulates access to this concessional form of saving. Specifically, the rule provides that complying superannuation funds may only accept contributions by or on behalf of persons who are "gainfully employed" at least part-time (that is, employed for at least ten hours per week for earnings including business income, bonuses, commission, fees, gratuities, salary and wages; note that these constitute all conceivable forms of non-investment income). An exception to this general rule is that members of superannuation funds who cease to be gainfully employed and who are not "retired" may continue to make contributions for a period of up to 2 years. This rule has been referred to colloquially as the "occupational link". The paper looks at the operation of the rule particularly as it effects women.

#### POLICY, SUPERANNUATION, TAXATION, WOMEN

- 291 Latham, Ian (1985), 'Welfare irrationality: examination of the assets test, 1969-1984', *Legal Service Bulletin*, 10(5), October, 227-30.

'It is the task of this paper to show the historical difficulty of reconciling decision making in the field of social welfare with the rationality that the law prides itself on...For the purposes of this article, rationality will be defined as a logical and self-contained process of reasoning. It will be argued that in the field of social welfare, this purported attribute of modern decision-making processes is inextricably intertwined with historical mood, political ambition and economic circumstance. This will become clear through the analysis of the development of old age pension entitlements over the last fifteen years (1969-1984).'

#### MEANS TEST, PENSIONS

- 292 Law Reform Commission (1987), *Matrimonial Property*, Report No. 39, AGPS, Canberra, 382pp.

This report was made at the request of the then Attorney General (1983) and investigates aspects of matrimonial property, having regard to the desirability of treating the parties to a marriage fairly and equitably during, and upon the dissolution of, the marriage. The subject of superannuation is examined as a particular asset causing problems in sharing. Recommendations are made about the valuation of superannuation as a future benefit and superannuation as a financial resource.

#### DIVORCE, SUPERANNUATION

- 293 Lee, Trevor (1991), *Age or Need? The Seniors' Card and the Provision of Concessions to Older People in Australia*, Office of Seniors' Interests, Perth, 8pp.

'The widespread introduction of Seniors' Cards in Australia opens up a range of social policy issues, including retirement income, and the role of governments in promoting community participation and positive images of ageing. The introduction of age-related concessions has broken the traditional nexus between government financial assistance and conventional concepts of need. However, for retired people, the equity considerations most commonly identified are those between pensioners and superannuants, rather than those between retired people and the needs of other disadvantaged groups. For superannuants in particular, the equity issues relate to poverty traps associated with the loss of fringe benefits, the role of concessions as a "reward" for thrift, and the effects of such schemes on incentives and disincentives for retirement savings. Whether or not the provision of Seniors' Cards marginalises older people is debatable. The overwhelming success of Seniors' Card schemes throughout Australia, as measured by take up rates and the response of Seniors' Card holders, suggests that older people themselves do not feel marginalised.'

#### FRINGE BENEFITS

- 294 Leeds, Marilyn (1984), 'Dependent wives defined', *Australian Journal on Ageing*, 3(4), November, 17-25.

'The attention of this paper is focused on dependent wives who because they receive no remuneration for their labour place themselves in a precarious financial position in old age.' It describes the current retirement income system for dependent wives and also some solutions available for them. Issues discussed are joint property, a national superannuation scheme and contributions paid by the major beneficiaries. Some possibilities for long-term solutions are canvassed.

#### NATIONAL SUPERANNUATION, WOMEN

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- 295 Life Insurance Federation of Australia (LIFA) (1981), *Submission to the Federal Government on National Superannuation*, LIFA, 17pp.

'This paper has been prepared by the Life Insurance Federation of Australia and sets out the suggested framework of a national superannuation scheme for Australia.' It includes sections which: describe the type of scheme proposed; identify the participants in the scheme; sets out the level of benefits; discusses administration and funding; additional types of schemes (occupational); requirements for such complying schemes; the cost of the proposed scheme; the introduction and phasing in of the proposed scheme; and the role of LIFA under the proposed system.

#### NATIONAL SUPERANNUATION

- 296 Logan, Phil (1990), 'Retirement incomes: an outlook for Australia in the 1990s and beyond', *Australian Tax Forum*, 7(3), 253-326.

The article includes an historical review of a 'decade of reform' in the area of retirement incomes. It examines the policies which have been responsible for the rapid pace of change, analysing the Social Security Review paper concerned with retirement incomes (Foster, 1988, q.v.) and subsequent policy changes made by government. Issues taken up include the adequacy of the age pension, means testing, integration with taxation, the role of occupational superannuation, alternative approaches to superannuation issues relating to the taxation of lump sums, tax deferral by rollover, and taxation of pensions and annuities. The new superannuation standards are described and discussed and other taxation and benefit issues are taken up. 'Issues of taxation concessions, superannuation standards, eligibility for superannuation and the integration of such aspects have been analysed in this article. The bulk of the reforms of the 1980s have been well directed, but must be further developed in certain areas during the 1990s.'

#### ADEQUACY, COVERAGE, LUMP SUMS, MEANS TEST, PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 297 Mallesons Stephen Jaques (1993), 'A checklist of tax changes to super', *Taxation in Australia*, 28(1), July, 29-30.

The article provides a list of major recent changes to tax laws dealing with superannuation.

#### SUPERANNUATION, TAXATION

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- 298 Manning, Ian (1981), *Means Tests: A Guide to the Issues Encountered in Constructing a Means Test*, Occasional Paper No.3, Institute of Applied Economic and Social Research, University of Melbourne, 32pp.

This paper discusses the problems that arise in designing means tests, both income and assets tests. The paper begins with a simple description of how means tests operate including their relation to other conditions of eligibility. There follows a brief discussion of the circumstances in which a means test might appropriately be included in the eligibility conditions for any particular grant or social welfare service...After listing the criteria which may be applied in judging means tests, the bulk of the paper is devoted to the various definitions which may form part of a means test.' It is argued that means tests can be 'a useful technique in the pursuit of social justice. However a great deal depends on the circumstances in which each particular test is imposed, on the fairness of the definitions incorporated into the test, and on the good conscience with which it is administered'.

#### ELIGIBILITY, MEANS TEST

- 299 Manning, Ian (1984), 'The assets test in context', *National Economic Review*, 1(1), September, 76-86.

The article discusses the implications of means tests as applied to age pensions. 'At present a complicated debate is going on about the future of the social security system, concentrating particularly on the age pension. On one side financial realists are arguing for a tougher means test, while on the other there is much talk of national superannuation. The realists are correct that the present treatment of asset incomes is highly unsatisfactory both for social security and income tax purposes, and their proposals for a change in the method of valuation is to be commended. It is a great pity that this proposal, so deserving of serious consideration in restructuring both systems, became mixed up with proposals for toughening the means test which involved the reassessment of all pensions. On the other hand, the proponents of national superannuation are correct in their assessment that there is widespread, though generally ill-informed, public sentiment in favour of abolishing means tests. The trouble is that nobody has thought of a tax source to finance the abolition. Perhaps the two groups should meet and parley over the reintroduction of death duties as a social security recoupment tax, and beyond this as to the fundamental reforms required to improve the perceived fairness and increase the revenue - raising capacity of the Australian tax system.'

#### MEANS TEST, PENSIONS, POLICY, TAXATION

- 300 Manning, I.G. (1984), 'Income tests in the Australian security system', *Australian Economic Review*, 65(1), 34-46.

The article provides 'a brief description of the joint effect of income tests and the income tax in reducing the increases in disposable income which Australians eligible

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for pensions or benefits derive from increases in earnings or in asset incomes. The article also provides information on changes over the past decade, and concludes with mention of the very few tentative local explorations into the seriousness of the work disincentive effects of income testing'.

#### MEANS TEST, PENSIONS, TAXATION

- 301 Manning, Ian (1985), 'Updating the pension', *National Economic Review*, 1(3), June, 42-56.

'In recent discussion of the future of the social security system it has been assumed that the system will continue to be financed on a pay-as-you-go basis, whether through the continuation of the existing system, through a national superannuation scheme, or through some combination of the two. It has also been generally assumed that pension rates will be indexed by average weekly earnings (AWE) and that the chief threat overhanging the system is the ageing of the population, expected to be significant in forty years time... In this article the pay-as-you-go assumption will be accepted, but the other two will be questioned. The article begins by comparing several alternative criteria for indexing pension rates. A simple model of the transfer process is then used to assess the effects of various exogenous changes in the economy on indexed pension rates and on tax rates. The effect of adopting two different national superannuation proposals on indexed pension rates and tax rates is also described. Finally, there are some brief speculations as to the effects of interaction between the variables of the simple model.'

The paper concludes that the ageing of the population will slowly result in increased social security payments and increased tax rates, but the change will be no greater than those caused by the end of full employment in 1975, and other means. The author recommends a method of updating the pension.

#### MEASUREMENT, NATIONAL SUPERANNUATION, PENSIONS, TAXATION

- 302 Manning, Ian (1986), 'Private savings and retirement', in Ronald Mendelsohn, ed., *Finance of Old Age*, Centre for Research on Federal Financial Relations, Australian National University, Canberra, 169-89.

'The purpose of this chapter is to describe the role currently played by private savings in the finance of retirement in Australia, insofar as it can be pieced together from available statistics.' The chapter also includes some suggestions for reform. The author concludes that 'the habit of private saving has survived changes of pension policy, negative real interest rates, the uncertainty of capital gains and losses and the inequities of the taxation system. Whether it is founded on unreasonable hope of reward, or on unjustified fear of the unknown, it is to be expected that the habit of private saving will continue, and that for the majority of the population, if not for the whole, it will contribute to security in retirement'.

#### SAVINGS

- 303 Manning, Ian (1990), 'Savings or the pension: the consequences of a new life cycle', in Hal Kendig and John McCallum, eds, *Grey Policy: Australian Policies for an Ageing Society*, Allen and Unwin, Sydney, 74-91.

This chapter looks at savings and the life cycle, saving for retirement, and the operation of the means test and its effect on personal saving. 'The issues surrounding retirement incomes resolve into a long-run question: how can the baby boom generation, currently aged between 25 and 45, best provide for its retirement? and a short run question: how can adequate pensions be maintained for the present generation of retired people?' The author argues that an increased rate of saving is required to finance investment and generate jobs to enable a return to full employment, following which it should not be difficult to provide incomes for an increased older population through work incomes (postponed retirement), asset incomes or pensions. However, the second problem is harder to solve. The government must rebuild its own level of savings, with expenditure restraint and tax increases. Pensions must be restricted by operation of a means test 'though if social security contributions were introduced as part of tax reform these tests could gradually be eased'. A further argument is for a switch to taxing consumption via a personal expenditure tax rather than a general indirect tax, so that pensioners could be exempted.

#### MEANS TEST, PENSIONS, POLICY, SAVINGS, TAXATION

- 304 Manning, I.G. and S.A. King (1988), *Incomes and Housing Costs of Older Australians*, Background/Discussion Paper No. 26, Social Security Review, Department of Social Security, Canberra, 104pp.

'This paper analyses the 1981/82 Income and Housing Survey to explore the economic circumstances of older Australians.' Chapter 3 explores income at the income unit level and identifies correlations between level of income, source of income, age of income unit head and type of income unit. Results show that among those income units with heads aged 70 and over, the proportion of income from pensions and benefits was 62 per cent for single men, 70 per cent for single women and 54 per cent for couples. By contrast superannuation pensions provided only 11 per cent, seven per cent and nine per cent respectively and other asset incomes 21 per cent, 19 per cent and 22 per cent. Self-employment and wages and salaries provided three per cent of all income for single men and women and 13 per cent for couples. Asset incomes provided a little less than a third of all incomes received by income units where the head of the household was 65 or over, and other proportions also vary a little with age. 'The value of pensions become increasingly important with age as other sources decline in real value.' The analysis by individuals reinforces the conclusions of the analysis by income unit.

The final section of the paper looks at the income transition associated with ageing. 'The paper establishes the major role of the social security system in the provision of income for older people in Australia. Government pensions and benefits provide

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more than half of the total cash income received by people aged 65 and over, and form the principal source of income for over three-quarters of them. The role of private savings in providing for retirement is more limited. Private savings provide rent-free housing for the majority of older Australians; they finance early retirement and supplement pension for many, particularly men, and provide relatively high retirement incomes for a minority: perhaps 20 per cent of those aged 65 and over.'

#### HOUSING, PENSIONS, SAVINGS

- 305 Marks, Bernard (1980), 'The superannuation amendments', *Australian Tax Planning Report*, 6, December, 41-8.

The effects of superannuation provisions introduced in 1980 are discussed. The particular questions addressed refer to tax deductibility for contributions, assessability of benefits for taxation, unauthorised dealings, transfers of interests and the receipt of benefits.

#### SUPERANNUATION, TAXATION

- 306 Mathews, Iola (1986), *Superannuation and Women*, Australian Council of Trade Unions Action Program for Women Workers, 57pp.

The booklet outlines the ACTU policy on superannuation and explains why women should be concerned about it. It presents statistics on superannuation cover for women and describes how traditional superannuation schemes discriminate against women. Information is given about maternity and parental leave and problems arising for superannuation contributors during these periods. Discrimination in retirement ages is also discussed with some emphasis on taxation. The campaign by the ACTU in the superannuation area is described. The final section relates superannuation to anti-discrimination legislation and looks at possibilities for superannuation cover for part-time temporary and casual workers, outworkers, self-employed women, divorcees and women not in the workforce.

#### COVERAGE, SUPERANNUATION, WOMEN

- 307 Mattila, Jenni (1990), 'Women and retirement', *Legal Service Bulletin*, 15(1), February, 41-3.

'There is a growing realisation that future governments will not be able to provide adequate old age pensions for "the baby boomers".' Reasons for this situation are canvassed. 'However, a number of the problems have now been removed or the significance of the problems has been reduced as a result of amendments to the superannuation and taxation legislation, the majority of which will commence on 1 July 1990.' The article discusses the need to raise women's consciousness about the

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subject. It also provides information on the eligible persons test and some of the provisions of the Sex Discrimination Amendment Act 1989.

#### SUPERANNUATION, TAXATION, WOMEN

- 308 Mayer, E.A. (1989), 'A retirement incomes policy for Australia', *A.I.J. Journal*, 12(4), November, 2-4.

'Hopefully, Australia is moving from separate policies for taxation, social security and superannuation, to an integrated Retirement Incomes Policy.' The article looks at the age pension, pensionable age, taxation, reasonable benefits limits, superannuation coverage and preservation and vesting. The author concludes that every Australian should have access to private cover; superannuation benefits should be taxed on end benefits only; the purpose of superannuation should be the provision of an income on death or disablement and provision for dependants on death; funding for retirement should be via the private sector with a safety net for those in need who cannot or have not provided for themselves; and pension benefits should be indexed to the fullest extent possible.

#### ELIGIBILITY, COVERAGE, PENSIONS, POLICY, SUPERANNUATION

- 309 Mayer, Eric (1989), 'Retirement incomes policy: its contribution to national saving', *Business Council Bulletin*, 59, November, 22-30.

The author examines rates of savings which have fallen steadily since the mid-1970s. The consequences of low saving have been increased overseas borrowings and higher interest rates. Increased savings must be a priority. An added reason for lifting saving effort is the ageing of the population. 'After a certain point, the cost of age pensions becomes a prohibitive burden on companies and individual taxpayers'.

'The best way to prevent a massive social security burden on future working generations is to encourage people to save for their own retirement. The bulk of future retirement income could then be made through private sector provision, with the age pension playing the role of safety net... Long term saving through superannuation is one of the most effective ways to finance investment in lifting the productivity of workers, who by 2021 will comprise a significantly smaller proportion of the population.' The article looks at changes to retirement incomes policy since 1983, some of which have improved incentives to save for genuine retirement and other have deterred self-provision for retirement, though the 1989-90 Budget measures have improved the situation. Further changes are suggested both to superannuation provisions and for the economy in general.

#### POLICY, SAVINGS, SUPERANNUATION

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- 310 McAlister, Colin, David Ingles and David Tune (1981), 'General revenue financing of social security: the Australian minimum income support system', *Social Security Journal*, December, 24-38.

This paper is in four parts. The first describes the Australian social security system and some other elements including superannuation benefits. The second compares the Australian system, financed through general revenue, with the 'social insurance' approach more common in other countries. Part III outlines proposals to make more use of social security contributions and/or special taxes and briefly discusses some enquiries which have recommended changes. The final part discusses the future of financing social security with particular reference to the impact of likely demographic changes.

#### COMPARISONS, DEMOGRAPHY, PENSIONS, POLICY, SUPERANNUATION

- 311 McAuley, J.P. (1984), 'National superannuation - a goal within reach?', *Statetrends*, 1(8), February-April, 10-11.

The article describes the existing retirement income system and presents some options for the future. In particular it looks at taxation issues associated with superannuation and problems associated with establishing and maintaining minimum standards of vesting and preservation etc.

#### POLICY, SUPERANNUATION, TAXATION

- 312 McBride, John (1990), 'Superannuation in the 1990s - a time for reconsideration', *Law Institute Journal*, 64(7), July, 618-20.

The article is concerned with the treatment of superannuation in property settlement following separation. 'With individual superannuation incentives increasing from 1 July 190 and greater government encouragement for individuals to take an annuity rather than a lump sum benefit, the subjective evaluation of those entitlements is going to become more difficult.' The author suggests that adjournments of the proceedings until the vesting of the entitlement would 'lead to superannuation being utilised for its proper purpose, as a retirement benefit, and not as a form of savings to be assessed and distributed prematurely in property proceedings'.

#### DIVORCE, SUPERANNUATION

- 313 McCall, I.W.P. (1982), 'Dissolving the economic partnership of marriage', *University of Western Australia Law Review*, 14(4), December, 365-416.

The article looks at settlements of property at the time of breakdown of marriage and includes the description of some cases where superannuation was part of the assets to

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be divided. The author comments that 'the valuation of the interest is highly subjective and the approach of different judges may vary markedly'.

#### DIVORCE, SUPERANNUATION

- 314 McCallum, John (1982), *The Brisbane Retirement Study: The Effectiveness of Retirement Preparation in the Queensland State Service Superannuation Fund*, Occasional Paper No. 20, School of Social and Industrial Administration, Griffith University, 39pp; also published (1983), *Australian Journal on Ageing*, 2(2) May, 16-28.

'This paper reports on a mail survey (70 per cent response) study of about 1,000 retirees from the Queensland State Service Superannuation Fund. Persons who attended the retirement preparation programme provided by the Fund were compared with those who did not attend, across a wide range of variables. Assuming random assignment to these two groups, the following effects of retirement preparation were observed: a greater propensity to make and revise a Will; a lesser propensity to change one's residency; less frustration in finding paid work, voluntary work and leisure activity; a greater likelihood of holding stable expectations of future life satisfaction; a greater arousal about some aspect of retirement life; a more rational choice of the form of benefits; and a tendency to spread maturity dates on investments. Within the limitations of the study, it was claimed that Retirement Preparation had desirable effects. This is the first significant Australian evidence on this topic.'

#### ATTITUDES

- 315 McCallum, John (1984), 'The assets test and the needy', *Australian Journal of Social Issues*, 19(3), August, 218-33.

The article puts some of the events surrounding the decision to reintroduce assets testing for the age pension, into an historical context. The restriction of middle class welfare is put into perspective and the position of the needy is examined. The final form of the assets test is described. The author argues that the debate about the introduction of the test 'has deflected attention away from the problems of the needy which are considerable, in favour of the concerns of the wealthy'. The poor pensioner urgently needs improvements in the rate of pension and, if a renter, improvements in the amount of Supplementary Assistance.

#### ADEQUACY, HOUSING, MEANS TEST

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- 316 McCallum, John (1984), 'How Queensland public servants spend their lump sums', *Australian Journal on Ageing*, 3(2), May, 15-26.

'Current debates about income security in later years have questioned the legitimacy of lump sum retirement benefits. The debates have been conducted with a paucity of information about these benefits and the uses to which they are put. A 68 per cent response to a mail questionnaire sent to ex-contributors to the Queensland State Service Superannuation Fund who retired between 1.1.78 and 30.6.80 is used here to provide evidence for the debate. Attitudinal responses, along with self reported evidence on the allocation of lump sums to some 22 investment and consumption items, yield a consistent picture about the financial behaviour of retirees. As we would expect from psychological studies of retirees, they are typically cautious and anxious and seek to shelter from any added stress arising from managing personal finances. Their orientation is revealed as risk avoiding rather than risk averse. Four patterns, namely an effect of the amount, of membership of occupation, of interest rate (at the time of retirement) and marital breakdown, were found in this investment behaviour. Finally whilst recipients of large lump sums report higher levels of life satisfaction now than recipients of lower amounts, this difference disappears when they are asked about the expectations of life satisfactions into the future. The uncertainties of older age seem to outweigh the securities provided by a large lump sum.'

#### ATTITUDES, INVESTMENT, LUMP SUMS

- 317 McCallum, John (1984), *Priorities for Retirement Income Policy*, Working Paper No.61, Ageing and the Family Project, Research School of Social Sciences, Australian National University, Canberra, 10pp.

There are two priority issues for retirement income: greater assistance for the needy; and the improvement of occupational superannuation, i.e. poverty alleviation and income protection. The author argues that in the last ten years, retirement policy has lost sight of its historic purposes, and states that the introduction of the 1984 Assets Test signals a new era in retirement income support. Since the 1930s there has been increased coverage of the eligible age pension population against the declining share in GDP of the age pension. This means that the 'needy' are not being covered adequately. the interaction of the tax and social security systems has produced a savage taper which has been made even worse by the steep Assets Test taper. so that people get trapped at minimal income levels. 'Some pressure can be taken off the taper rate if income and assets tests worked properly to identify the needy aged and secondly, if occupational pensions schemes work more effectively - then the aged pension need not be such an important part of the retirement income scheme. The problem for the age pension is that it has been used to provide middle class income maintenance and this has devalued its function for the needy.'

#### ADEQUACY, MEANS TEST, PENSIONS, POLICY, SUPERANNUATION

- 318 McCallum, John (1986), 'Improving the "social" living environment in retirement', in Ross Thorne, ed., *The Housing and Living Environment for Retired People in Australia*, Hale and Iremonger, Sydney, 334-48.

The general argument in the chapter is 'that an improvement in the retirement income system provides an improvement in the social living environment of retirement'.

The chapter begins by setting the scene of the Australian retirement system in broad terms, then sets up 'the objectives of the retirement income system and the desired characteristics of the policy required to achieve those objectives'. The author then sets out options for change. These include changes to the pension and supplementary assistance and reform of the occupational superannuation system. On this subject, the author concludes that 'the improvements we are going to see in the retirement income system will be modest, slow in coming and will probably involve a contraction in government payments to those not in need of support'.

#### PENSIONS, POLICY, SUPERANNUATION

- 319 McCallum, John (1989), 'Australian public opinion on retirement income policy', *ACT Council of Social Service News*, 3, 7-9.

'Over three terms in government the federal Labor Party, in its commitment to the reform of the retirement income system, has confronted the tension between economically and politically rational change and public opinion.' Some of the specific policies which have engendered political tensions are: 'the reintroduction of means test for people over 70 years; increases in tax rates on lump sum superannuation accruing after 1 July, 1983; the reintroduction of the assets test announced August 1983 and implemented March 1985; and the restructuring of tax on occupational superannuation including a 15 per cent tax on funds and reductions of taxes on lump sum benefits. Of these the public reaction to the assets test reintroduction has been the most contentious'. The importance of public opinion and the demands of the aged are discussed. The article then reports on the results of polls which asked questions about compulsory retirement and public spending on pensions.

'Asked at any time over the post-war period, Australians have strongly favoured public support for retirement income. Around two-thirds of the population have generally supported the abolition of means tests, the same or increased public spending on pensions, and the same or better proportions feel that the income support received by the elderly is inadequate. The public are not overly concerned with questions like "double dipping" and generally believe that the public sector cannot be too generous to the elderly. There is no polarisation in public opinion by age group, gender group, social class or by political allegiance.' The article ends with a quote from the 1906 Royal Commission on Old-age Pensions: "Old-age pensions are to be granted as a right and not as a charity" (p.14). Any change

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perceived as contravening this historic dictate will surely bring negative responses from both the elderly and the Australian population in general'.

#### ATTITUDES, LUMP SUMS, MEANS TEST, PENSION, POLICY, TAXATION

- 320 McCallum, John (1989), *Noncontributory Pensions for Developing Countries: Rehabilitating an Old Idea*, Working Paper No. 10, National Centre for Epidemiology and Population Health, Australian National University, Canberra, 39pp.

'Less developed countries are facing choices in policies for retirement income support that bear similarities to the choices made in more developed countries 50 to 100 years ago. About 100 years ago, Australia and New Zealand developed a noncontributory pension system which continues to the present day. This system delivers basic, economic well-being at relatively low cost. Within less developed countries, values and goals for retirement income support vary widely. These are explored in the history of the development of the Australian and New Zealand systems. This paper also examines the impact of these unique systems on several indicators of well-being. Poverty is well controlled in this system but adequate income replacement is dependent upon private, individual saving. Because of efficiency and effectiveness, this unique noncontributory system is argued to provide an important, if old, idea for less developed countries.'

#### ADEQUACY, PENSIONS, POLICY

- 321 McCallum, J. (1990), 'The public versus the policies: the ethical basis of Australian retirement income policy', *Australian Journal on Ageing*, 9(1), February, 3-14; also appears as Working Paper No. 7, National Centre for Epidemiology and Population Health, Australian National University, Canberra, 25pp.

'The nature of public feelings about income support for the elderly is examined in survey data and theoretical debates about this are considered. New public opinion poll evidence on compulsory retirement and various aspects of retirement income policy shows strong public support for abolition of means test and for more public spending on the elderly. The complexity and potential inconsistency of attitudes is examined here in detail for the first time. A "public demand" model of retirement income policy is rejected and the development of policy as a corollary of industrial relations policy is argued. The public opinion opposed to means tests but the electoral support for constrained public expenditure puts party policy makers in a difficult dilemma. Strong positive attitudes to support for the elderly indicate the continuity of the "ethical" core that led to the first establishment of age pensions at the beginning of the century. The situation is, however, fluid as industry superannuation brings more workers into the bounds of the means test and as more wealthier elderly feel the conflict of expenditure constraint applied to themselves.

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Both sides of the political spectrum experience dilemmas in their policies vis-a-vis public opinion.'

#### ATTITUDES, POLICY

- 322 McCallum, John (1990), 'Winners and losers in retirement income', in Hal Kendig and John McCallum, eds, *Grey Policy: Australian Policies For an Ageing Society*, Allen and Unwin, Sydney, 55-73.

This chapter concentrates on the reform of the occupational superannuation component of the retirement income system 'since this is the major "unequalising" factor in the system. Since, after the age of 65 years, workforce participation rates in Australia are below ten per cent, the prospects of receiving income in excess of the flat-rate age pension are dependent either upon receiving superannuation or asset incomes, which may well be the returns on investments of lump-sum superannuation. In summary, the winners in the "game" of accumulating income for old age are necessarily those with significant superannuation or substantial assets'.

'This chapter investigates the historical origins of Australia's occupational superannuation system in depth in order to identify why certain groups have been able to use the system to get higher income in old age. Further empirical evidence is explored to test whether or not historical differences in access to superannuation are turned into observable differences in retirement income. Finally, an argument is advanced here about government priorities in reform of retirement income.' The author's argument is that more equal access to the means for saving for retirement can be achieved through extension of private and company superannuation, and other instruments of saving for old age. Sections of the chapter deal with the origins of differential access (socio-economic status, gender, ethnicity and age) and evidence for income differences (by the same factors).

'This empirical evidence shows that those who get the best start in life, through a good education, end up as winners in the retirement income system.' Without the earnings related public schemes such as there are in Europe and North America, 'there is a tendency for Australian middle income earners to be pulled back to the flat-rate age pension income, particularly if they have not had access to substantial superannuation tax concessions'. Losing in the 'game' is associated also with specific groups of first generation migrants. The policies supported here are that, while government priorities should continue to protect against poverty (through provision of the age pension), it should also provide equal access to the financial instruments for maintaining income into retirement; but income replacement is a 'private concern which should be achievable in the private market if individuals choose it'.

#### POLICY, SUPERANNUATION

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- 323 McCallum, John and John Beggs (1989), 'More pieces of the wealth puzzle', *Australian Society*, 8(7), July, 39-41.

The article uses data from the Australian Institute of Family Studies which carried out a study of the economic consequences of marital breakdown. 'Superannuation accounts for a surprisingly high proportion of wealth at young ages. This declines as couples approach their forties, then increases to retirement age.' 'Partly because this is little known, and partly as a result of difficulties in valuing superannuation, women usually do not attempt to put a value on husbands' superannuation at divorce. Instead they use its existence to bargain for a greater share of the property at settlement. Retaining a future interest in superannuation would be both a fairer settlement for women and more consistent with the purpose of the tax concessions to superannuation.' The authors also emphasise 'the need for close regulation of vesting and portability for both men and women. There can be little justification for tax advantages if the benefit does not create assets which can be used in old age'.

#### DIVORCE, SUPERANNUATION

- 324 McCallum, John and Grazyna Mackiewicz (1986), 'Work, retirement and income', in Australian Institute of Multicultural Affairs, *Community and Institutional Care for Aged Migrants in Australia*, AIMA, Melbourne, 104-31.

The general purpose of this chapter is to investigate the work and retirement experiences of migrants. Difficulties encountered in the collection of data because of language and translation problems and the particular situation of people in small businesses in relation to retirement, are briefly described. The questions addressed are: 'Does the retirement experience of migrants of non-English-speaking background affect the retirement experience?' and 'Are there differences among groups from different birthplaces in retirement experiences and income?' The questions are explored using data from the AIMA Survey of Aged Migrants and the ANU Survey of the Aged. Data compared related to labour force status; employment; unemployment income; expenditure; the retirement process; retirement age; reasons for retirement; and attitudes to retirement.

'The ethnic respondent group had relatively lower retirement incomes than the respondents of English-speaking background. They were also more likely to be ineligible for the age pension, and more likely to live with families, and more likely to feel that their retirement income was inadequate.' 'Generally, migrant background, indicated by duration of residence and English language ability explains differences between respondents of non-English-speaking background and respondents who were either born in Australia or migrated from English-speaking respondents.'

#### ADEQUACY, ELIGIBILITY, IMMIGRANTS

- 325 McCallum, John and Sheila Shaver (1986), 'Industry superannuation - a great leap forward?', *Australian Social Welfare Impact*, 16(6), October, 6-8.

The proposal for a national system of industry superannuation brought impetus for reform of the retirement income system and has been seen as heralding new equity in that system. However, the Arbitration Court has agreed only to the introduction of 'consent' agreements undercutting the progressive potential of the proposal. The article gives an historical account of superannuation in Australia: an initial period to the 1940s during which 'superannuation emerged as the source of independent retirement incomes for a select group of salaried males'. The second period, from the 50s to the 70s, saw superannuation become 'a supplement to age pension benefits for certain groups of both high- and low-income earners'. In the present period, 'superannuation is becoming a more generally (but still very unevenly) available fringe benefit of employment. It still has little to offer housewives and other workers outside the workforce'. The authors argue that the introduction of industry superannuation for all workers could lead to the abandonment of the safety net scheme embodied in the age pension system.

#### POLICY, SUPERANNUATION

- 326 McDiarmid, Anne (1994), *Taxation of Superannuation and Disposable Income in Retirement*, Conference Paper 94/1, Retirement Income Modelling Task Force, The Treasury, Canberra, 22pp.

'This paper examines the taxation treatment of superannuation and the effect of interacting superannuation, taxation and Social Security policies on retirement incomes, with a particular emphasis on women. Some of the implications for progressivity and equity are discussed. The comparative effects of superannuation provisions on women in various circumstances are discussed using results obtained from the Retirement Income Modelling Task Force's hypothetical model, INMOD.

#### MEASUREMENT, POLICY, SUPERANNUATION, TAXATION, WOMEN

- 327 McDonald, Peter (1985), *The Economic Consequences of Marriage Breakdown in Australia, A Summary*, Australian Institute of Family Studies, Melbourne, 36pp.

The aim of the study from which this publication is drawn were to examine the impact of divorce on the standards of living of the husbands, the wives and the children and to examine aspects of the division of property. The special problems associated with superannuation are discussed.

#### DIVORCE, SUPERANNUATION

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- 328 McDonald, Peter, ed. (1986), *Settling Up: Property and Income Distribution on Divorce in Australia*, compiled by the Australian Institute of Family Studies, Prentice-Hall of Australia, Victoria, 340pp.

This book is based on the results of a survey, the broad aims of which were to map the financial arrangements made in marriages and to describe the circumstances of people after the breakdown of the marriage, including the results of the division of property in the surveyed cases. Questions were asked about the assets (and liabilities) including superannuation policies, both surrender and maturity values). In the chapter 'Property distribution; the shares of each partner and their determinants' (by the editor) this subject is dealt with in some detail. Values of superannuation policies provided a major problem. They were difficult to report; either surrender values or other values actually used in the settlement negotiations were provided. 'Usually, however, respondents provided no values at all. Superannuation is different from other assets not only because of the lack of knowledge of values but also because its value is more a future rather than a present benefit ... However, the importance of superannuation as compared with most other fringe benefits is that it is more widespread and its value is often substantial.' The values assigned to superannuation by men and women varied considerably and reasons for the discrepancy are discussed.

The fact that superannuation policies continue to be held by the holder after the property division also causes problems. 'Superannuation clearly has a relevance in divorce negotiations because it has been a drain on the financial resources available to the marriage.' In the majority of the cases surveyed, superannuation played no part in the property division, often because no advice was given to the respondent. 'There is a strong case for greater consistency in the area of superannuation and life insurance to ensure that these policies are universally considered in disputed property cases. This matter is so significant that the superannuation agencies must come to terms with it.' Other chapters in the book discuss this subject briefly.

#### DIVORCE, SUPERANNUATION

- 329 McDonald, R.F. (1979), 'Anti-discrimination gone mad', *A.I.I. Journal*, 2(3), May, 5-7.

There have been recent introductions of legislation which 'seek to prevent adverse discrimination on grounds such as sex, marital status, race, religion etc., particularly with regard to employment. Each of these pieces of legislation has excluded from its operation: (a) insurance contracts which reflect sex differences on a "reasonable" basis, (b) superannuation arrangements'. Working parties have been set up to examine discrimination in superannuation. The article discusses some discriminatory practices which have evolved over past years. It also looks at the implications of actuarial differences. 'The time now seems ripe for ... significant changes in superannuation schemes and particularly for changes which remove those elements of discrimination on account of sex and marital status which are

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demonstrably adverse. However, the emphasis in this regard must surely be on the word "adverse". It is madness to attempt to remove discrimination itself.'

#### SUPERANNUATION, WOMEN

- 330 McIlroy, John (1990), *Superannuation Explained Simply*, commissioned by the Association of Superannuation Funds in Australia (ASFA), Wrightbooks, 251pp.

The book explains superannuation for employees, self-employed people and employers in terms of saving, adequacy, form of payment, taxation, and choice of fund.

#### ADEQUACY, FUNDS, SELF-EMPLOYED, SAVINGS, SUPERANNUATION, TAXATION

- 331 Meggitt, Marie and Michael Gourlay (1989), 'Many positive changes but still room for improvement', *Impact*, 19(5), August, 6-8.

The article analyses the treatment of Social Security in the 1989-90 Budget. The 'foundations of Australia's retirement income system will continue to be means tested age pension, together with incentives to save for retirement (especially through tax concessions for occupational superannuation)'. Specific highlights are given in detail.

#### PENSIONS, POLICY

- 332 Melville, G.L. (1986), 'National superannuation - a proposal for action', in Ronald Mendelsohn, ed., *Finance of Old Age*, Centre for Research on Federal Financial Relations, Australian National University, Canberra, 265-74.

The chapter presents 'a simple compromise proposal on National Superannuation which seems to have the best chance of acceptance generally having regard to the various political and other statements available at the time of writing - July 1985'. It also presents the author's arguments for the success and affordability of such a scheme.

#### NATIONAL SUPERANNUATION, POLICY

- 333 Mendelsohn, Ronald, ed. (1986), *Finance of Old Age*, Centre for Research on Federal Financial Relations, Australian National University, Canberra, 366pp.

'All communities face the duty of caring for their aged, a duty which preceded the creation of organised governments. Nowadays the duty is shared between the

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individual through taxation and personal savings, the community in its varying guises, and the government. Provision is thus partly personal, partly charitable, partly industry-based, and partly governmental. The book deals with all those functional areas. In each there are issues of equity, efficiency and economy. The issues interweave and have feedback effects.' Some of the chapters are separately annotated; the full list follows.

Demography and the future cost of pensions	John Ford
What mix of public/private financing	James H. Schultz
Occupational superannuation in Australia: present and future	David M. Knox (q.v.)
Superannuation from the employers' viewpoint	David Nolan
The dialect between public and private pensions	Martin Rein and Herman van Gunsteren
Superannuation for government employees	Owen Roach (q.v.)
The Storemen and Packers' superannuation scheme	Greg Sword (q.v.)
Superannuation: the great leap forward	Garry Weaven (q.v.)
Recent trends in retirement policy and practice in Europe and Australia	Bernard Casey
Taxation and superannuation: a review of recent events	Ian R. Harper
Finance of health care for the aged	Anna L. Howe
Private savings and retirement	Ian Manning (q.v.)
The social impact of retirement	John McCallum
Economic determinants of retirement	W.J. Merilees (q.v.)
Superannuation in Australia: an economist's view	Neville R. Norman
Superannuation in Australia: the place of life officers	Bruce Rafter
Women and retirement age income security	Linda Rosenman (q.v.)
National superannuation - a proposal for action	G.L. Melville (q.v.)
Canadian light on Australian retirement income security	Ronald Mendelsohn
Retirement incomes policy: options open to government	A.S. Podger (q.v.)
Constitutional options for Commonwealth regulation of old age financing schemes	Gary A. Rumble
The Liberal and National parties and national occupational superannuation	A.J. Messner
Retirement income policy	Brian Howe
Overview	Daryl Dixon and Chris Foster
DEMOGRAPHY, NATIONAL SUPERANNUATION, PENSIONS, POLICY, SAVINGS, SUPERANNUATION, TAXATION, UNIONS, WOMEN	

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- 334 Mendelsohn, Ronald (1989), *Superannuation and Retirement in Australia*, Penguin, Victoria, 320pp.

This book contains chapters on a variety of aspects of retirement, both general and technical. The first part, 'Can we afford the old', deals with demography, the economic situation of the old, their social and health situation and present provision of retirement incomes. Part Two, 'Decisions for government', looks at national pensions and the possibilities for national superannuation. Part Three, 'Decisions for industry: the occupational super scheme', examines the position of employers with regard to superannuation, superannuation schemes, taxation issues for industry, the investment world, the Accord between the Government and the ACTU and its consequences, and the controls and operating standards of superannuation funds. Part Four, 'Decisions for the individual', looks at taxation issues and saving and investment, while Part Five, 'The Future', discusses the broad reforms not in place, the need for a universal age payment and for occupational superannuation. It looks at the defects in the Hawke-Keating policies on the level of 'generosity' of a universal pension. This section also looks at the 'scare over the increasing proportion of aged people' and proposes a means of improving age support by 'a three-legged stool': through superannuation, savings and pensions. The findings of the Social Security Review and the proposals of the Senate Committee on Community Affairs are both examined. A postscript looks at the 1989-90 Budget proposals. 'All the proposals seem desirable steps, but they hardly merit Keating's description of them as "historic reforms". In terms of the work done and the hopes held out for the Cass *Social Security Review*, the mountain had laboured and brought forth a mouse.'

DEMOGRAPHY, INVESTMENT, NATIONAL SUPERANNUATION,  
PENSIONS, POLICY, SAVINGS, SUPERANNUATION, TAXATION

- 335 Merrilees, W.J. (1986), 'Economic determinants of retirement', in Ronald Mendelsohn, ed., *Finance of Old Age*, Centre for Research on Federal Financial Relations, Australian National University, Canberra, 203-22.

This chapter is concerned with identifying factors which contribute to the trend towards early retirement. The author argues that the increased value of the age pension and the recession are mainly responsible for the acceleration toward early retirement which took place in 1972-76. 'Private wealth effects (including housing, superannuation and other forms) appear responsible for the longer term trend toward early retirement.'

HOUSING, PENSIONS, POLICY, SUPERANNUATION

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- 336 Millbank, Jenni (1993), 'Hey girls, have we got a super deal for you: reform of superannuation and matrimonial property', *Australian Journal of Family Law*, 7(2), August, 104-20.

'This article begins with a brief examination of the reasons why women are disadvantaged by superannuation structures and so require access to men's superannuation upon divorce. Some reforms proposed by the recent Australian Law Reform Commission superannuation report (ALRC Report 59) in relation to these areas will be mentioned. The inadequacies of the present treatment of superannuation as a "factor to be taken into account" in matrimonial property will then be noted before different reform proposals, such as those offered by the Australian Law Reform Commission (ALRC), the Attorney-General's Department and the Law Reform Commission of British Columbia (LRCBC) are discussed and compared. These strategies will then be critiqued in terms of their abstraction and focus on the future, at the expense of the present. The proposals of all three bodies are driven by obedience to their respective government retirement income policies, with little or no regard to the context of women's poverty and housing needs. Finally, some different items on the reform agenda will be contrasted to illustrate the contradictory intentions and effects of the state in this area, as it both "gives" and "takes away".'

#### DIVORCE, SUPERANNUATION, WOMEN

- 337 Millbank, Jenni (1993), 'Superannuation: are women being left out of the question', in Stuart Simington and Christopher McElwain, eds, *Public Accountability and the Law*, proceedings of the Public Interest Law Conference, 1992, Continuing Legal Education Seminar Papers, University of New South Wales, Sydney, 137-41.

'Women have both lower participation in (superannuation) schemes and lower benefits when they do participate. This means that even if government policy of universal superannuation coverage is achieved and women eventually have "equal" participation, the amounts they receive at the end of their working lives will still be substantially lower.' The paper gives figures related to these statements and identifies the reasons for the situation.

#### COVERAGE, SUPERANNUATION, WOMEN

- 338 Munn, Gregory D. and Rowan McR. Russell (1982), 'Superannuation benefits for professional practitioners: a review', *Taxation in Australia*, 16, May, 882-904.

This paper reviews 'the types of superannuation plans which are available to self employed and professional persons' and discusses 'the conditions which determine the tax deductibility of contributions and the exemption from taxation of income derived by the most common of these'.

#### SELF-EMPLOYED, SUPERANNUATION, TAXATION

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- 339 Murphy, Jill (1995), 'Superannuation coverage of women from a non-English-speaking background', *Australian Bulletin of Labour*, 21(3), September, 208-20.

'This short article discusses the lower superannuation coverage of NESB immigrant women. It uses unpublished data from *Superannuation Australia* (ABS, 1993) to examine factors which may contribute to the lower superannuation coverage faced by NESB immigrant women. If it is found that NESB immigrant females face lower coverage because they are more likely to be out of the labour force, or concentrated in sectors, industries and occupations which have lower levels of superannuation coverage than average, it could be concluded that NESB immigrant females are not subject to **particular** barriers relating to access to superannuation. However, if the data show that **within** particular occupations, sectors, industries and labour force categories, NESB immigrant females have lower levels of superannuation coverage than other females, there may be cause for concern, and further research into the reasons for lower superannuation coverage of NESB immigrant females would be warranted.'

#### COVERAGE, IMMIGRANTS, SUPERANNUATION, WOMEN

- 340 Murray, Annabelle (1988), *Characteristics of Persons Retired and Intending to Retire from Full-time Work: An Analysis of Published and Unpublished ABS Data*, Research Paper No. 50, Research and Data Analysis Section, Social Policy Division, Department of Social Security, Canberra, 67pp.

This paper is in two parts, one dealing with persons who had retired from full-time work at age 45 and over at the time of two ABS surveys, one in 1983 and one in 1986. The second deals with persons aged 45 and over at the time of two surveys, one in 1984 and the other in 1986, who indicated that they intended to retire from full-time work within the next five to 15 years. Each of the two parts present data on a number of characteristics including main source of income (or expected main source of income at retirement) and retirement scheme membership. Source of income is reported by age at retirement, gender, age and changes in source of income since retirement. Membership in retirement schemes is reported by occupation, age at retirement, type of payment and whether retirees had had a change in source of income during retirement.

#### DEMOGRAPHY

- 341 National Australia Bank (1989), 'The challenge of an ageing Australia', *National Australia Bank Quarterly Summary*, March, 4-7.

The article looks at government policy on retirement income, including recommendations made in the Social Security Review (Foster, 1988, q.v.). It also looks at home ownership as it relates to retirement income, and at the related question of home equity conversions and the limitations placed on inherited wealth

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by this scheme. Superannuation and annuities and lump sums are discussed. The article identifies major concerns following changes in legislation and concludes by calling for 'more rational concepts of income and income potential'.

#### ANNUITIES, HOUSING, LUMP SUMS, POLICY, SUPERANNUATION

- 342 National Superannuation Committee of Inquiry (K.J. Hancock, Chair) (1974), *National Superannuation in Australia, Interim Report*, AGPS, Canberra, 221pp. Other members: K.J. Hedley and R.G. McCrossin.

The National Superannuation Committee of Inquiry was appointed by the Minister of Social Security in 1973. This Interim Report sets out the terms of reference for the inquiry and explains the committee's decision to concentrate on the nature of a suitable scheme for ensuring adequate income for the aged. The report is 'an attempt to inform the community about issues which must be confronted in devising such a scheme and to suggest some different approaches between which a choice may eventually be made'. The fundamental considerations dealt with are: existing occupational superannuation and its relevance, other existing arrangements, women and national superannuation, the demographic background and the constitutional position. Two options are suggested: a flat-rate scheme and a contributory scheme. Arguments for and against each are discussed. 'As will readily be apparent to readers of this Interim Report, it is essentially a discussion paper, and the Committee hopes that it will stimulate a constructive debate about the nature of a national superannuation scheme for Australia.'

#### DEMOGRAPHY, NATIONAL SUPERANNUATION, POLICY, SUPERANNUATION, WOMEN

- 343 National Superannuation Committee of Inquiry (K.J. Hancock, Chair) (1976), *Final Report of the National Superannuation Committee of Inquiry, Part One*, Parliamentary Paper No. 155/1976, The Parliament of Australia, Canberra, 168pp. Other members: K.J. Hedley and R.G. McCrossin.

This report takes into account the submissions received in response to the recommendations made in the Interim Report of the Committee. Part One, which deals with publicly provided benefits available to the whole community, is itself divided into two parts: a majority and minority report (by K.J. Hedley). The majority report recommended that a National Superannuation Scheme should provide pensions, ancillary benefits and death benefits. It should be paid to all persons aged 65 or more who satisfy residence requirements. The pension should be calculated as the sum of the universal pension, a purchased pension (if applicable) and supplementation (if applicable). The universal pension should be equal to about 25 per cent of average weekly earnings per employed male unit; the purchased pension should be set by reference to the person's contribution to the scheme (with ways of calculating the relationship detailed); and supplementation should be paid to

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any person whose purchased pension is less than a specified proportion of the other amounts. Recommendations are also made, relating to taxation, benefits, contribution levels and other conditions. The report deals also with basic goals and constraints.

The minority report (by K.J. Hedley) recommends the 'continued evolution of a flat rate non-contributory approach integrated as far as possible with health, education and welfare expenditure as a whole'.

#### ADEQUACY, NATIONAL SUPERANNUATION, PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 344 National Superannuation Committee of Inquiry (K.J. Hancock, Chair) (1977), *Occupational Superannuation in Australia, Final Report, Part Two*, AGPS, Canberra, 172pp. Other members: K.J. Hedley and R.G. McCrossin.

This report, like Part One, is in two parts. The majority of Committee 'sees the role of occupational superannuation as complementary to that of national pensions. National pensions should provide retirement income for the whole of the population aged 65 or more. They will be more adequate if provided through the National Superannuation Scheme than otherwise. The additional benefits derived from occupational superannuation schemes will enable a section of the community to avoid reductions in living standards after retirement; they will also support options, such as retirement before age 65 and benefits received as lump sums, which are not contained in the National Superannuation Scheme'.

The chapters of the majority report describe: the present system, comment upon it and identify the needs for change; discuss methods of influencing occupational superannuation (the constitution, taxation and powers of trustees); explain the integration of occupational superannuation with national pensions; make recommendations for vesting and preservation and the retirement age; propose other reforms (security of benefit, disclosure and reporting, annuities, index-linked securities, sex discrimination, the self-employed and miscellaneous taxation aspects) and make some comments on capital formation and the implementation of the proposed scheme.

'The main tenor of Part Two of the dissenting report is that the continued evolution of the Australian flat-rate non-contributory age pension system will not have any traumatic effect upon existing occupational schemes.'

#### ADEQUACY, LUMP SUMS, NATIONAL SUPERANNUATION, PENSIONS, POLICY, SUPERANNUATION, TAXATION

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- 345 Nethercott, L.J. (1980), 'The assessability of *ex gratia* pension supplements', *Taxation in Australia*, 15, August, 138-42.

Many firms are finding that their superannuation or pension schemes are insufficient to provide their employees with sufficient income to maintain their standard of living after retirement. Supplementary payments may be paid to former employees to offset the effect of inflation. This article discusses the taxation of such payments. (See September number of journal for a corrigenda).

#### SUPERANNUATION, TAXATION

- 346 Nethercott, L.J. (1985), 'Ex gratia pension supplement - an update', *Taxation in Australia*, 19, December/January, 567-70.

The article looks at some of the cases where taxation of supplementary payments has been adjudicated. Such payments have been deemed to be part of the income for assessment purposes.

#### SUPERANNUATION, TAXATION

- 347 New South Wales Women's Advisory Council (1993), *Superannuation and Women: Issues of Access and Equity*, NSW Women's Advisory Council.

The report discusses the importance of superannuation for women who have historically not shared the same access to superannuation as men. It raises a series of relevant issues: labour market issues, including women in the unpaid workforce, women in full-time employment, part-time employment, casual employment, and pay equity; government regulations and superannuation fund design; women's participation in, and access to, current superannuation arrangements, personal superannuation, award based superannuation and employer based superannuation; changes in access and equity for women as a result of the Superannuation Guarantee Charge legislation; inequalities existing under the distribution of property in divorce settlements; the relationship between the age pension and superannuation; and the impact of the Sex Discrimination Act. Recommendations are made with regard to several of these issues.

#### COVERAGE, DIVORCE, POLICY, SUPERANNUATION, SGC, WOMEN

- 348 Newell, Malcolm (1985), *Prosper in Retirement*, Stirling Press, Adelaide, 122pp.

'This book sets out to show how any retiree can prosper ... it stresses the need for advice for those who do not have the complex financial skills necessary to cope with technical investment plans.' Advice is given on investment options.

#### INVESTMENT

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- 349 Newman, C.A. (1988), 'Rationalisation of the taxation treatment of superannuation in Australia', *A.I.J. Journal*, 11(1), February, 20-3.

The article examines the taxation of superannuation at the time, putting the 1983 changes into perspective. The author also examines the arguments of groups such as ACOSS who 'see the so-called superannuation taxation concessions as being a potential revenue source to be tapped to finance what they see to be more important socially and economically desirable objectives'. He looks at the Federal Government's achievements, the danger of double taxation, and at some alternatives to the current situation. Finally, he examines the role of the life insurance industry in the provision of superannuation.

#### POLICY, SUPERANNUATION, TAXATION

- 350 Nicholls, Gary (1984), 'Does your income retire when you do?', *Australian Social Welfare Impact*, 14(2), July, 13-16.

The author argues that the distinction between the two forms of retirement income, pensions and superannuation, is not so clear as it first might seem 'since the payment of an age pension is in effect a life-cycle transfer backed by the government'. 'The central distinguishing feature thus becomes the progressively scaled superannuation payout and the basically flat-rate pension payout - even if the latter is subjected to means or assets tests.' The major issues in the retirement income debate are examined: funding mechanisms, types of payments, and quantum of payments (related to adequacy). The author argues that a 'flat-rate individual universal age pension set at a level higher than the current age pension and with all other income and capital gain subject to ordinary tax would provide a fair transfer payment for the great bulk of ordinary Australians irrespective of the length of time they have been able to spend in the workforce'. He further argues that superannuation is not in the interests of low or middle-income earners 'because it perpetuates inequalities of income distribution', particularly because of its special tax status. 'There may be a place for strictly regulated portable superannuation schemes to provide a supplement to the universal age pension for those who wish to make the extra investment' under regulated conditions.

#### ADEQUACY, MEANS TEST, PENSIONS, POLICY, SUPERANNUATION

- 351 Nusberg, Charlotte (1985), 'Pension reforms widespread in industrialized nations', *Ageing International*, 12(4), Winter, 16-20.

After describing some of the reasons for increased pressures on the social security systems of industrialised nations providing old age pension protection, this article examines some of the major steps taken by selected countries to strengthen their pension systems. These countries are: Australia, Austria, Canada, Denmark, Finland, the Federal Republic of Germany, Japan, Norway, Spain, Sweden, the United Kingdom and the United States.

#### COMPARISONS, PENSIONS

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- 352 Olsberg, Diana (1994), 'Still missing out: women, superannuation and retirement income', *Just Policy*, 1, November, 45-49.

In the past, superannuation was of benefit to a small minority. Women were rarely offered the opportunity to participate in employer-funded super schemes and because of the type of labour force attachment they had, often did not receive maximum benefits. In the 1990s, the demography of Australia is such that there is concern for future generations who may face an intolerable tax burden. The Federal Labor Government has therefore chosen to establish a compulsory contributory requirement income system, managed by the private sector. This article discusses this new system with particular reference to women. The author concludes that the present system is unequal and that it 'is structurally biased against women'. She identifies the barriers to improvement, and insists that they be addressed. In addition, 'the needs of unwaged women in retirement or in old age must continue to be a high priority'.

POLICY, SGC, WOMEN

- 353 Organisation for Economic Co-operation and Development (1988), *Ageing Populations: the Social Policy Implications*, Demographic Change and Public Policy, OECD, Paris, 90pp.

Low fertility and mortality rates are combining to reduce the rate of growth and increase the proportion of the aged in the population, particularly after the year 2000. This raises concern about the implications for social expenditure and social policy. Population ageing will also affect the size and structure of the labour force which has implications for the capacity of society to finance social programmes from taxation and social security contributions. The first part of this study reviews recent demographic trends in OECD countries and sets out projections to 2050, with emphasis on the proportion of the elderly and trends affecting the working population. Part two deals with the implications of these demographic changes for social expenditure and the capacity to finance social programmes. The final section examines four areas where adjustment is likely to be necessary: changes in the structure of public social expenditure; the labour market; health policy, and finally pensions. The implications of existing pension policies are examined, an assessment is made of the extent to which non-demographic factors, such as changes in real benefit levels, are likely to add to demographic pressures, and options for policy change are discussed.

COMPARISONS, DEMOGRAPHY, PENSIONS, POLICY

- 354 Organisation for Economic Co-operation and Development (1988), *Reforming Public Pensions*, OECD, Paris, 154pp.

The discussion of reform of public pension schemes in OECD countries is a general response to changing economic, demographic and social environments. Realistically

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the options open for reform are: a decrease in the benefit level; a reduction in eligibility; or an increase on the revenue side. How each country proceeds depends on the social security system already in place. It is the purpose of this report to provide a 'view of past developments and future trends...to outline the main strategies and possible options, to give some information about their probable social and economic implications, and to discuss the experience of the few countries where a significant change in the pension scheme has already taken place'. Part I gives a broad overview; Parts II and III substantiate the overview on institutional conceptual and quantitative grounds. Part IV summarises the main findings and draws conclusions. Annex A gives detailed information on countries' experiences in restructuring pensions. Annex B provides information on the pension schemes in OECD countries, this information being complemented by further tables in Annexes C and D.

#### COMPARISONS, PENSIONS, POLICY

- 355 O'Sullivan, Elizabeth (1993), 'Security in retirement', *Taxation in Australia*, 25(3), September, 157-62.

'This article looks at the more important changes to the taxation regime for superannuation announced last year by the Federal Treasurer and summarises the progress made in legislating those changes.'

#### SUPERANNUATION, TAXATION

- 356 Overbye, Einar (1995), *Different Countries on a Similar Path: Comparing Pension Politics in Scandinavia and Australia*, Discussion Paper No. 44, Graduate Program in Public Policy, Australian National University, Canberra, 48pp.

'Scandinavia and Australia share an early emphasis on tax-financed minimum pension schemes rather than Bismarckian style contribution-based earnings related schemes. I argue that Scandinavia and Australia also share a similar sequence of later pension-political developments, despite differences in the timing of various initiatives, as well as in the institutional designs of these initiatives. First, means-testing was softened and ultimately abolished in the minimum protection systems of both Scandinavia and Australia. Second, compulsory earnings-related pensions were introduced. The introduction of compulsory earnings-related pension schemes coincides with a period of increased income-testing in the minimum schemes, resulting in the emergence of a dual pension structure in both Scandinavia and Australia. The impact of federalism, party structure and the use of regulatory policies (e.g. compulsory arbitration) as an alternative to tax-and-spend policies in bringing about the observed convergence towards dual systems are discussed.'

#### COMPARISONS, PENSION, POLICY

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- 357 Owen, Mary (1984), 'Superannuation was not meant for women', *Australia Quarterly*, 56(4), Summer, 363-73.

'In this article it is shown that superannuation is one of the main factors in discrimination against women in employment. Employers not only contribute less per head for female employees than they do for males but female members of superannuation funds, in fact, subsidise male members and their dependants.' The author argues 'that superannuation schemes were designed to entice valued employees to stay with the same employer. Since most women have children and society expects women - rather than men - to shoulder most of the responsibility for caring for children, few women are able to provide the continuous service necessary to enjoy maximum benefit from superannuation funds. This article suggests some measures which could be taken to rectify the situation.'

#### SUPERANNUATION, WOMEN

- 358 Owen, Mary (1991), 'The case for an unmeans-tested age pension', *Inkwel*, 5/6, January-February, 7-9.

The article proposes that: 'Every Australian, on reaching the age of 65, should be entitled to an unmeans-tested tax-free pension equivalent to 30 per cent of average male earnings of the time. The pension should be financed by: a medicare-type levy on all earnings - probably 1.2 or 1.3 per cent; withdrawal of all tax concessions allowed for superannuation contributions and to superannuation funds - currently amounting to approximately \$4 billion per annum.' The present system of retirement income provision is described showing that women 'receive a very small proportion of the money allocated by government to subsidise superannuation'. Arguments are presented in favour of the proposal.

#### PENSIONS, POLICY, WOMEN

- 359 Owen, W.D. (1985), *No Needs Tests, Superannuation Tax or Tax Favours*, David Owen, Melbourne, 51pp.

'This paper looks at resource transfers affected by superannuation tax favours - and finds them substantial and directed towards high earners. It looks at five common defences of the tax favouring - and finds them inadequate. It sees the tax favours as one prong of national superannuation and the Age Pension as the other. It looks at the Age Pension system - and finds it a poor device for making transfers in accordance with needs. It recommends that we discard the "needs" aim - and restructure national superannuation by the removal of needs tests, tax favours, and tax on superannuation benefits. It sees significant benefits arising from such changes - and national superannuation better fitted to our employment future.'

#### NATIONAL SUPERANNUATION, POLICY, TAXATION

- 360 Paatsch, Dean and Graham Smith (1992 and 1993), 'The regulation of Australian superannuation: an industrial relations law perspective', *Corporate and Business Law Journal*, 5(2), November, 131-64 and 6(1), September, 29-60.

The aim of this article is to analyse the existing regulatory regime of superannuation in Australia and, in particular, 'to expose its failure to provide beneficiaries of superannuation funds with affordable remedies and other mechanisms which could ensure trustee accountability'. It includes a brief history of superannuation in Australia 'followed by an analysis of award superannuation mechanisms and trust law and their appropriateness as vehicles for regulating modern Australian superannuation. The analysis concludes with a consideration of mechanisms which might make the trustees of superannuation funds more accountable to the beneficiaries of the funds and an examination of procedures for resolution of disputes over the rights and interests of beneficiaries.

#### FUNDS, SUPERANNUATION

- 361 Palme, Joakim (1990), *Pension Rights in Welfare Capitalism: The Development of Old-Age Pensions in 18 OECD Countries 1930 to 1985*, Swedish Institute for Social Research 14, Universitet, Stockholms, 188pp.

The book looks at the development of old age pensions as a particular case in the development of the welfare state. The first chapter looks at theoretical controversies, driving forces, some empirical studies on pensions, and the concept of social citizenship as well as looking at the research strategy. Following chapters describe ways of measuring pension rights, some of the phases and trends in their development, models of age pensions, determinants of cross-national differences, and rights and expenditures. The final chapter discusses issues related to income equality and inequality. Appendices document sources of information used in the study. Australia is one of the 18 countries included in the study.

#### COMPARISONS, PENSIONS, POLICY

- 362 Panckhurst, Bruce (1994), *Investing in Retirement*, NSW Government Office on Ageing and National Information Centre on Retirement Investments, Sydney, 46pp.

The publication aims to help older people to identify their financial needs, to explain the role of financial advisers and to assist them in making informed investment decisions. It lists (but does not endorse) some investment products available to retired persons.

#### INVESTMENT

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- 363 Panel of Review of the Proposed Income and Assets Test (F. Gruen, Chairman) (1984), *Report of the Panel of Review of the Proposed Income and Assets Test*, Australian Government, Canberra, 70pp. Members of the Panel: F. Gruen (chair); M. Johnson; W. Keys, OBE, MC; B. McKenzie; J. Priest; P. Smith; G. Smolicz; J. Thurgood; and B. Thyer.

The Panel reporting here was set up by the Government, to consider draft legislation which sets out a proposed income and assets test, having 'regard to the principle that the requirement of equity and the demographic fact of the ageing of the Australian population require that expenditure on pensions be directed to those most in need'. Among the conclusions and recommendations made by the Panel is one which argues that 'many of the problems seen within the social security area are, properly, problems of the taxation system. The Panel recommends that the Government give priority to taxation reform which will guarantee equity for all members of the community'. Although no agreement was reached by the Panel on the desirability of income and assets testing, and they acknowledge that no test is completely fair, members did agree on a preferred option. This retains the current income test, and introduces a separate supplementary assets test, affecting only those with assets over \$150,000 (or \$200,000 for couples). It is also argued that there should be no exemptions, not even for the family home. Some provisions should be designed to avoid hardship in certain conditions, especially where the pensioner is illiquid.

#### MEANS TEST, TAXATION

- 364 Patrickson, Margaret, Linley Hartmann and Leonie McCarron (1994), 'Women in education: superannuation and early retirement', in David Knox, ed., *Superannuation: Contemporary Issues*, Longman Professional Publishing, Melbourne, 129-35.

The paper reports on a survey of employed women aged 50 and over in the field of education. 'Overall our analysis suggests that any decision concerning whether or not to discontinue their participation in the workforce in favour of early retirement is likely to be approached very differently by men and women.' The work history of women and their access to superannuation income in retirement is important in decision-making.

#### ATTITUDES, WOMEN

- 365 Patterson, Nigel (1993), 'Attitudes to superannuation in Australia: the need for consumer education', *Social Security Journal*, December, 28-47.

'The objective of this paper is to discuss research findings on community attitudes and perceptions about saving for retirement through superannuation and to raise relevant policy implications from these findings.' It presents results from a survey into the behaviour, intentions and attitudes of Australians with respect to superannuation carried out for the Department of Social Security and the Office of

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Government Information by Brian Sweeney and Associates. The report involved 2024 respondents. The results are reported in the following areas: planning for retirement; awareness of facets of retirement income; attitudes to benefits and importance of superannuation; barriers to contributing; adequacy; understanding; and sources of information. The paper also reports on research by ASSIRT for the Financial Planning Advancement Foundation into Australians attitudes to investment and their money and by the Trade Practices Commission Report into Life Insurance and Superannuation.

The author concludes that 'available information on retirement income desires indicates that individuals want a relatively high level of income in retirement often at levels which are comparable to or just below pre-retirement earnings'. There was support for provision of a universal age pension though the adequacy of the pension was questioned, as well as the Government commitment to it as superannuation coverage improved. Superannuation is only sketchily understood and there is a need for policy planners 'to clearly inform the community of policy interrelationships (e.g. age pension/superannuation/means tests) and the levels of savings required to ensure lifestyle expectations are met'.

#### ATTITUDES, SUPERANNUATION

- 366 Peetz, David (1985), *A Descriptive Examination of Superannuation Coverage by Industry and Occupation*, Wages and Incomes Policy Division, Department of Employment and Industrial Relations, Canberra, 24pp+.

'The main purpose of this paper is to enable a thorough examination to be undertaken of the industries and occupations which have, and which do not have, substantial superannuation coverage of employees.' The data have also been used to investigate some factors influencing the level of coverage and its uneven distribution. The data source is ABS surveys. The first section of the paper discusses the limitations of the data. The industries with high and low incidence of coverage are identified. Other factors affecting coverage are discussed: gender, age, income, trade union density and labour turnover. Twenty-one tables are appended, giving details according to all these variables.

#### COVERAGE, SUPERANNUATION

- 367 Pender, Howard (1994), 'The taxation treatment of super', in *Women and Superannuation, Selected Seminar Papers*, EPAC Background Paper No. 41, Office of Economic Planning Advisory Council and Office of the Status of Women, AGPS, 87-93.

'The aim of Commonwealth superannuation policy should be to ensure all Australians have access to a minimally adequate stream of income in their retirement. The money might come from three sources - public savings out of the income of current taxpayers, levies on future taxpayers or it might be funded by the

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individual's own savings (perhaps encouraged by tax concessions effectively funded by current taxpayers). Under current arrangements the second source is dominant.' This paper considers 'the tax treatment of superannuation from the viewpoint of a number of parties - future retirees, their children, current and future taxpayers'. It sets out a suggested scheme for the tax treatment of superannuation which highlights the main flaws in the current arrangements.

#### SUPERANNUATION, TAXATION, WOMEN

- 368 Pender, Howard and Steven Ross (1994), *Taxation, Regulation and Private Saving in Australia*, EPAC Background Paper No. 36, Office of the Economic Advisory Council, AGPS, Canberra, 58pp.

'The intent of this paper is to describe the influence of public policy on the pattern of allocation of private saving in Australia. This pattern has a significant impact on the security of individuals' savings and the return earned on those savings.' Public policy influences the pattern through regulations and taxation. A section of the paper looks particularly at the effect of these factors on superannuation. 'Receiving pay in the form of superannuation contributions is the most tax attractive form of saving although younger fund members receive less effective tax benefit.' Superannuation for the self-employed and top-up superannuation contributions are also discussed.

#### POLICY, SAVINGS, SELF-EMPLOYED, SUPERANNUATION

- 369 Perry, Julia (1988), *Income Support for Older Women*, Background/Discussion Paper No. 27, Social Security Review, Research Paper No. 43, Social Policy Division, Department of Social Security, Canberra, 54pp.

'This paper focuses on the financial resources of older women and the effectiveness of the age pension and occupational superannuation systems in providing support for women. It does not attempt to address ways in which the general economic position of women might be improved, although it is acknowledged that this is the basis of inequality between men and women in old age, and without such improvement government support for retirement incomes will at best marginally reduce poverty among aged women.'

The first section discusses some of the characteristics of women in the context of the aged population in terms of demography, marital status and employment. The second describes the age pension in terms of the pension age and discrimination on the basis of sex; it also looks at other forms of direct payments such as wife's and widow's pensions. The third section describes the superannuation system in terms of coverage, adequacy, vesting and preservation and direct and indirect discrimination. This is followed by a section which discusses some issues concerning marital property, in particular superannuation, and widowhood and

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divorce. A concluding section draws out implications, points to deficiencies and makes some recommendations for reform.

COVERAGE, DIVORCE, ELIGIBILITY, PENSIONS, POLICY,  
SUPERANNUATION, WOMEN

- 370 Pestieau, Pierre (1991), *How Fair Is the Distribution of Private Pension Benefits?* LIS Working Paper No.72, Luxembourg Income Study, Luxembourg, 13pp.

'The purpose of this paper is to examine the redistributive impact of partially replacing public retirement schemes by private plans in OECD member countries. The focus is on the income distribution of the elderly. To address this question, we must examine the way in which the costs relating to these two types of regimes, together with the resulting benefits, are distributed. The general conclusion which emerges from this study is obvious but nonetheless alarming: if a substitution takes place without collective measures, over the next few decades we could see greater income inequalities among the elderly and a return to pockets of poverty in this age category.'

POLICY, SUPERANNUATION

- 371 Pha, Anna (1992), 'How super is super?', *ACTCOSS News*, 5/6, October/November, 7-9.

The article examines the interaction of the taxation system, superannuation and the pension system, showing that some superannuants are worse off than they would be on the age pension. It also looks at the loss of fringe benefits and the way the system works to the advantage of the better off. 'A low wage leads to a low benefit and a high wage to a high benefit if the fund performs well. The government's legislation does not deal with the inequities of the present system.'

FRINGE BENEFITS, PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 372 Plowman, David and Garry Weaven (1989), 'Unions and superannuation', in Bill Ford and David Plowman, eds, *Australian Unions, An Industrial Relations Perspective*, Macmillan, Melbourne, 251-68; also appears (1988) as *Superannuation: A Union Perspective*, Industrial Relations Working Papers, School of Industrial Relations and Organizational Behaviour, University of New South Wales, Sydney, 15pp.

This paper examines the role of unions in providing for better and more accessible superannuation schemes. The first part of the paper examines more fully the factors which have caused unions to give a higher priority to superannuation and to challenge the operations of traditional company-operated superannuation schemes.

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The second part of the paper reviews union activities and strategies on the superannuation front.'

#### SUPERANNUATION, UNIONS

- 373 Podger, Andrew (1983), 'Choices in retirement income policies', *Social Security Journal*, June, 15-22.

'Public debate about government policies for income security for the aged has covered a wide range of issues: the desirability of means tests, the adequacy of age pensions, the need for a national superannuation scheme, the efficiency of private occupational superannuation, the appropriateness of subsidies for private occupational superannuation, the extent to which such subsidies are not used for genuine retirement purposes and so on. Each issue raises highly complex questions and, taken together, it seems virtually impossible to place the almost infinite number of policy options into some coherent framework. This problem is illustrated, for example, by the unpredictability of identifying the likely stance on policy options of the different political parties. There are quite different views within both the government and the opposition parties on the means test; and, over time, Labor and non-Labor parties have each supported and opposed national superannuation.

The purpose of this paper is to see if the major policy options can be placed into some order by relating them to broad community objectives and to the degree to which the government would be involved in meeting those objectives. In doing so, it is not intended to discuss in detail the pros and cons of the options nor to indicate preferences.' The paper looks first at the objectives of a retirement income policy; the 'residual' role of the government; national superannuation; other schemes; and the distribution effects of policy options. The author identifies three areas of difficulty in choosing policies: the uncertain effects of means testing; the uncertain effects of compulsory contributions; and the overall effects of means testing; the uncertain effects of compulsory contributions; and the overall effects of mixed schemes involving opposing components such as means-tested pensions and tax subsidies for occupational superannuation.

#### ADEQUACY, MEANS TEST, NATIONAL SUPERANNUATION, PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 374 Podger, A.S. (1986), 'The economics of superannuation', *Australian Economic Review*, 75(3), Spring, 75-88.

'The purpose of this article is to draw together some of the main economic issues relating to superannuation and retirement income arrangements more generally. The article is essentially descriptive, not prescriptive nor particularly analytical. It begins with an explanation of community objectives and moves on to canvass the criteria for government intervention. The main part of the article discusses the economic issues of savings, labour supply, financing and redistribution. This is followed by a

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brief review of the problems and prospects for Australian arrangements. The article finishes with a tentative conclusion about the main economic issues and themes that might attract debate and stimulate research.'

A comment by John W. Freebairn is included.

#### ATTITUDES, POLICY, SAVINGS, SUPERANNUATION

- 375 Podger, A.S. (1986), 'Retirement incomes policy: options open to government', in Ronald Mendelsohn, ed., *Finance of Old Age*, Centre for Research on Federal Financial Relations, Australian National University, Canberra, 289-312.

This chapter identifies the objectives of retirement income arrangements and assesses the current arrangements and recent changes with particular regard to those objectives. It then summarises the main issues involved in the choice of a basic structure for a retirement income system: the role of government, the effects on savings and work, financing and redistribution. Finally, it presents some illustrative options for retirement income arrangements: a basic residual scheme, a flat rate universal pension scheme, a national earnings-related scheme. The author is concerned to encourage 'those advocating more far-reaching reforms to distinguish between those claimed advantages of their proposals that might as easily be achieved within our current frameworks and those that necessarily require more radical changes'.

#### PENSIONS, POLICY, SAVINGS, SUPERANNUATION

- 376 Podger, Andrew, Judy Raymond and Wayne Jackson (1980), *The Finance of Social Security: Some Implications of the Interaction Between Social Security and Personal Income Tax*, Research Paper No. 11, Policy Review Branch, Development Division, Department of Social Security, Canberra, 35pp.

This paper examines the interaction of social security and personal income taxation systems, with emphasis on the resulting redistribution of income. It uses examples to demonstrate how the 'cost' and the universality or selectivity of a program or proposal can change significantly when it is considered in the context of the social security and personal income taxation systems as a whole. One of the examples is the relationship between age pensions and occupational superannuation, showing that the 'cost' of government assistance in the area of retirement income is not just the amount of outlays on social security pensions but also the amount of revenue forgone because of tax concessions and the amount of revenue gained through the taxation of pensions.

#### PENSIONS, SUPERANNUATION, TAXATION

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- 377 Podger, A.S., J.E. Raymond and W.S.B. Jackson (1980), *The Relationship Between the Australian Social Security and Personal Income Taxation Systems - A Practical Examination*, Research Paper No. 9, Policy Review Branch, Department of Social Security, Canberra, 79pp.

This paper describes the way in which the social security and personal income tax systems interact with particular reference to vertical and horizontal equity. Its purpose is to provide a basis for discussion of more general issues and policy options. The final part of the paper compares current arrangements with a proposal for full integration of the social security and personal income tax systems.

#### PENSIONS, TAXATION

- 378 Porter, M.G. (1989), 'The government super and age pension drain on the economy - Can we learn any lessons from overseas', *A.I.I. Journal*, 12(2), June, 15-17.

'The principle mechanism for ensuring the prosperity of older people on their retirement is a strong economy, driven by high rates of savings, productive investment opportunities and high participation in an efficient work force.' The author argues that 'countries pursuing heavily redistributive social security policies, for example, countries with generous government pensions, may not always be those which do the best for their retirees'.

This article is based on a paper by R. Anstie, J. Freebairn and M Porter (q.v.).

#### POLICY

- 379 Power, Judy (1989), 'Future retirement policies: the reality', *ACT Council of Social Service News*, 3, 5-7.

This paper, delivered at a retirement incomes seminar, 'The Winter of Our Discontent', is concerned to 'add to an awareness of the experience of being on a low, fixed income and of what needs to be provided for in any policy which is adopted'. The author works with an agency (CARE, a Credit and Debt Counselling Service) whose 'expertise lies in the area of stabilising financial arrangements for people whose lives are substantially disrupted by financial problems'. The paper draws attention to the need for people to have 'a clear policy' in order to plan for retirement; to the role of the States and the need to ensure that State and Federal policies mesh; to the problem of debt and its relation to lump sum payments; to the way in which utilities and essential services bill for services; to the special problems of women and of people of non-English speaking backgrounds; and to the question of access to information.

#### IMMIGRANTS, LUMP SUMS, POLICY, WOMEN

- 380 PTOW/TPF and C (1983), *Report to the Social Welfare Policy Secretariat on the Long Term Cost of the Age Pension*, PTOW/TPF and C, Melbourne, 20pp.

'In broad terms the main concern of this report is to place financial values on the social security age pension to be payable in the long term future, taking into account the anticipated ageing of the population. The principal objective is to produce values which can be used in assessing, and as a cost discipline on, alternative forms and designs of these benefits.' It finds that on the basis of demographic trends, and in the absence of policy changes, pension outlays will double by 2030. The year by year projection results can be used to examine the long term implications of specific policy options, and the way in which outlays under one set of assumptions compare with those under any other set.

#### DEMOGRAPHY, PENSIONS

- 381 Puckett, T.C. and Norman J. Smith (1991), 'Support for income maintenance benefits: attitudes of a group of non-recipient towards three benefits', *Australian Journal of Social Issues*, 25(2), May, 137-51.

'This paper compares attitudes of a small sample of people not in receipt of income support benefit in the Melbourne metropolitan area towards three benefits: the aged pension, unemployment and sole parent benefits'. Responses from 159 telephone interviews and analysed. 'Results indicated strong support for aged pension and weak support for unemployment benefit. Self-interest factors coupled with age and gender characteristics influenced responses.'

#### ATTITUDES, PENSIONS

- 382 Quinlivan, Beth (1991), *Super! Making Superannuation Work for You*, Allen and Unwin, Sydney, 162pp.

This guide to superannuation is divided into three major sections. 'Part one provides an overall introduction to superannuation. It covers the choices investors have, the tax breaks and how to work through the fog of jargon that can be an impenetrable barrier to the unprepared.' Part two assists with the choice of scheme and the rights of members. It also looks at what happens on retirement or change of job or other circumstances. Part three is concerned with strategies, designed to result in the maximum retirement income.

#### SUPERANNUATION

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- 383 Quinlivan, Beth (1994), *The Dictionary of Superannuation*, Association of Superannuation Funds of Australia (ASFA), Client Publishing, Melbourne, 123pp.

This book offers plain explanations of words and phrases used in the superannuation industry. The terms are drawn from many sources, some technical, some legal.

#### SUPERANNUATION

- 384 Renton, N.E. (1989), 'Investors and the age pension', Parts I and II, *National Australia Bank Quarterly Summary*, September, 20-2, and December, 22-4.

These two articles discuss how the rules governing the age pension affect investors. The means test in particular has effects on income, asset value and capital gains on disposal of investments. The second article deals with some special rules relating to some popular types of investment: public unit trusts, insurance bonds, annuity policies and deposits in approved funds. Eligibility for fringe benefits is explained and discussed.

A response to these articles by the Minister for Social Security, Brian Howe, appears in the March 1990 issue of the journal.

#### ELIGIBILITY, FRINGE BENEFITS, INVESTMENT, MEANS TEST, PENSIONS

- 385 Renton, N.E. (1991), *The Retirement Handbook*, Investment Library, Melbourne, 215pp.

This book seeks to explain the basic issues of retirement income and retirement income planning, with chapters on: getting advice; budgeting; investing; fixed interest securities, ordinary shares, property investment; superannuation; annuities; taxation; and social security.

#### ANNUITIES, INVESTMENT, PENSIONS, SUPERANNUATION, TAXATION

- 386 Retirement Research and Education Centre (1983), *Age and Service Pensions: How to Become and Remain Eligible*, RR and EC, Mt Waverley, Victoria, 111pp.

'The aim of this publication is to make the reader aware of the problems associated with the Australian pension system as it relates to Age and Service Pensions.' The first section covers a broad range of subjects which are relevant to both types of pensioners: administration, assessing procedures, wife's pension, fringe benefits, the income test, deprivation of income, business activities, investments and their effect on pensions, family arrangements such as gifts and loans, applications, interviews, freedom of information, taxation, de facto relationships, obligations, overpayments,

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overseas payments, payment, choice of pensions. The following sections relate separately to the two types of pensions.

#### ELIGIBILITY, FRINGE BENEFITS, INVESTMENT, MEANS TEST, PENSIONS, TAXATION

- 387 Richards, Fred K. (1983), *Implications of the New Retirement Taxes: The 1983 Mini-Budget and Superannuation*, CCH Australia, Sydney, 66pp.

This publication analyses the changes to superannuation benefits announced by the Treasurer on 19 May 1983 and 30 May 1983. The chapters deal with practical issues of importance such as the form of benefit; pensions or lump sums; position of large and small funds; levels of approved benefits; contributions; special circumstances and areas of uncertainty; and other aspects such as taxation rulings.

#### FUNDS, LUMP SUMS, PENSIONS, SUPERANNUATION, TAXATION

- 388 Richards, F.K. (1984), 'Superannuation - some benefits to be fully taxable', *Taxation in Australia*, 18, March, 818-27.

The article discusses the measures announced by the Treasurer in November 1983 to curb abuses of the superannuation system.

#### POLICY, SUPERANNUATION

- 389 Richards, Fred (1984), *Taxing Lump Sum Payments: Implications of the New Rules*, CCH Australia Limited, Sydney, 110pp.

Legislative changes relating to the taxation of lump sums are summarised. 'The new tax treatment of termination payments, including new concepts like approved deposit funds and roll-overs, is discussed in Chapter 2. Calculation worksheets to help employers and fund managers cope with the new regime, ... can be found in Chapter 3. The new legislation made a number of changes to the treatment of the funds themselves. The types of funds allowable for tax purposes and their tax treatment are discussed in Chapter 4. The improved scene for annuity business is outlined in Chapter 5, and other amendments associated with the new termination tax are dealt with in Chapter 6. The implications of the changes for individuals, employers, trustees and funds are discussed in Chapter 7, while the position as it affects contributions is covered in Chapter 8.'

#### FUNDS, LUMP SUMS, POLICY, SUPERANNUATION, TAXATION

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- 390 Richardson, Sue and Keith Hancock (1982), 'Life-time earnings in Australia', *Australian Journal on Ageing*, 1(1), February, 13-22.

'The incomes of the aged depend in an important way on earnings they have received during their working lives.' This paper is concerned only with the earnings of people who are in full-time employment. The higher the total amount of earnings received during one's working life the easier it is to save to provide income during retirement. In addition, the material welfare of the aged is influenced not only by the flow of cash income, but also by the assets they own at point of retirement. The paper looks at differences in life-time income, 'discount rates', education and sex differentials.

## SAVINGS

- 391 Rigney, Harry M. (1994), 'Superannuation after Fitzgerald: the Willis way', *Australian Banker*, 108(4), August, 206-7.

'Taxation has long been the primary tool for regulation of superannuation.' The article describes a scheme whereby the Australian Tax Office will be the repository of 'small amounts' Superannuation Guarantee contributions and will hold them on trust to keep those amounts protected from administrative charges and fees. It describes also the scale of fees and charges currently charged by financial institutions. The author concludes that under the scheme announced by the Treasurer, 'the small amounts package will deliver a better deal for people in lower-paid and unstable employment'.

## POLICY, SUPERANNUATION, SGC, TAXATION

- 392 Roach, Owen (1986), 'Superannuation for government employees', in Ronald Mendelsohn, ed., *Finance of Old Age*, Centre for Research on Federal Financial Relations, Australian National University, Canberra, 85-94.

'In this chapter the apparent free lunch in superannuation for government employees is explored. Comparisons with the private sector lunch are made as well as the various aspects of paying for all lunches, i.e. timing of payment, growth in government employment, demographic factors and economic factors.'

## SUPERANNUATION

- 393 Robinson, Ian (1992), 'Superannuation - a policy perspective', in Kevin Davis and Ian Harper, eds, *Superannuation and the Australian Financial System*, Allen and Unwin, Sydney, 8-16.

This paper provides some rationale for the government's superannuation policies, emphasising its desire to promote greater self-provision of income in retirement.

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The intention is both to reduce the call on public sector pensions, which can then be targeted more directly towards the genuinely needy, and to increase private saving. The author also discusses supervision of superannuation funds. There is a need to ensure that tax concessions provided for superannuation support the government's policy objectives and are sustainable.

#### FUNDS, POLICY, SUPERANNUATION, TAXATION

- 394 Roe, Jill (1981), 'Old age, young country: the first old-age pensions and pensioners in New South Wales', *Teaching History*, 15(2), July, 23-42.

This paper relates the introduction of the old-age pension in New South Wales to the general social history of Australia, including issues such as state intervention, regulation of the workforce, the demography of the colonies, the introduction and development of eligibility requirements. The age pension, the author argues 'belongs squarely in the tradition of pensions to the military, public employees and other occasional state servants, as "a consideration of past services" recast as a facet of political economy, appropriate to a young country'. The development, in Australia, of means tested non-contributory pensions, as opposed to social insurance or contributory schemes found in other advanced capitalist societies, is described, using historical records and statistical data.

#### PENSIONS, POLICY

- 395 Rosenman, Linda (1982), *Widowhood and Social Welfare Policy in Australia*, SWRC Reports and Proceedings No. 16, Social Policy Research Centre, University of New South Wales, Sydney, 75pp.

This report of a research study of widows in Australia includes a section on social welfare policies relevant to widowhood, including income maintenance policies. The various schemes of income support are described: widows pensions and supporting parents' benefits; war widows and defence widows pensions; and invalid and sickness benefits. The tax benefits available to the widowed and sole parents are also described. Financial problems and the adequacy of support payments are discussed.

#### ADEQUACY, PENSIONS, WOMEN

- 396 Rosenman, Linda S. (1986), 'Women and retirement age income security', in Ronald Mendelsohn, ed., *Finance of Old Age*, Centre for Research on Federal Financial Relations, Australian National University, Canberra, 251-63.

The chapter examines 'the implications of the dual role of women for the retirement age income system', and considers the ways for women to obtain better access to retirement income 'in their own right as workers, whether married or single, and as

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widowed or divorced women'. It also looks at 'some of the issues involved in adapting the private superannuation system or in the design of a compulsory contributory national superannuation system to deal adequately and equitably with the changing and complex roles of women'.

#### NATIONAL SUPERANNUATION, SUPERANNUATION, WOMEN

- 397 Rosenmann, Linda (1993), 'Superannuation: is it such a deal for women?', in Stuart Simington and Christopher McElwain, eds, *Public Accountability and the Law*, proceedings of the Public Interest Law Conference, 1992, Continuing Legal Education Seminar Papers, University of New South Wales, Sydney, 129-36.

The article identifies three types of superannuation schemes: occupational or employer arranged which may be voluntary or required; personal which is private; and compulsory superannuation legislated as the Superannuation Guarantee Charge, an extension of award superannuation. The taxation treatment of each is described briefly. The primary entitlements of women are affected by their work life patterns which have implications for their superannuation coverage. Time out of the work force and low wages are both factors. Derived entitlements associated with survivorship are discussed and the author asks whether there should not be family instead of individual entitlements. The author argues that putting all the policy effort into superannuation, which links retirement income to employment and contributions made during working life, 'will mean that future generations of older women in Australia are likely to remain economically disadvantaged in old age'. This will be particularly so if self provision for retirement leads to a reduction in the age pension.

#### POLICY, SUPERANNUATION, SGC, TAXATION, WOMEN

- 398 Rosenman, Linda (1994), 'Changing labour force involvement, early retirement and superannuation', in Julian Disney and Lynelle Briggs, eds, *Social Security Policy: Issues and Options*, papers from the conference Social Security Policy: The Future, AGPS, Canberra, 167-74.

The adequacy and duration of income security programs have been affected by the lowering of the age of exit from gainful work, particularly among men, whether voluntary or forced. Women's work and retirement decisions are also becoming more important components of planning. 'Two major policy areas are discussed in this paper in relation to retirement: labour market policies, particularly those related to unemployment and labour market exit, flexible employment early retirement incentives and redundancy provisions; and retirement incomes policies and the intersection of superannuation, social security and taxation policy.'

#### ADEQUACY, PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 399 Rosenman, Linda (1995), 'Superannuation guarantee charge: benefits and risks', in Anne Edwards and Susan Magarey, eds, *Women in a Restructuring Australia: Work and Welfare*, Allen and Unwin in association with the Academy of Social Sciences in Australia, 191-9.

This chapter considers superannuation in terms of its interaction with and impact upon: the restructuring of employment and wages; the restructuring of retirement as a part of labour force restructuring; and the restructuring of the welfare state. 'The growth of occupational superannuation as a fringe benefit, and the recent legislation of compulsory superannuation are an integral part of labour market restructuring, the restructuring of the wages negotiation process and the redefinition of the process and age of retirement. All of these have major implications for women as workers and retirees.'

'The social welfare system has also been changed by the imposition of a compulsory national superannuation scheme in the form of the SGC. The explicit linking of the welfare system to the labour market and earnings also negates the societal contribution made by many women through unpaid caring work rather than through paid employment. While many women will benefit from superannuation, the risk remains that many others will confront both an insecure working life and financial insecurity in old age'.

#### SUPERANNUATION, SGC, WOMEN

- 400 Rosenman, Linda and Marilyn Leeds (1983), 'Superannuation - some working notes', *Australian Social Welfare Impact*, 13(2) May, 31.

The brief article addresses the following issues related to the design of an income security scheme: the implications of population trends; the appropriate mix of public and private provision for income security in old age; the advisability and implications of a contributory national superannuation scheme; the taxation treatment of private occupational superannuation schemes if a national superannuation scheme was introduced; and the appropriate retirement age under any scheme.

#### DEMOGRAPHY, NATIONAL SUPERANNUATION, PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 401 Rosenman, Linda and Marilyn Leeds (1984), *Women and the Australian Retirement Age Income System*, SWRC Reports and Proceedings No. 42, Social Policy Research Centre, University of New South Wales, Sydney, 102pp.

The aged population in the future, as now, will be predominantly female. This report focuses on the implications of this numerical predominance for the income support system of elderly people. The adequacy and equity of the retirement income

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system is examined with attention to both the non-contributory age pension and private occupational superannuation. The latter is subject to taxation benefit, has been designed to fit the pattern of a continuously employed males with a dependent female spouse and so does not benefits women to the same degree as it benefits men.

The first chapter presents demographic data as well as data about incomes of retirement age men and women. Marital and employment patterns of women are analysed to determine the likely economic situation of women in future generations. The second chapter describes the components of the system for old age income (public welfare, occupational welfare and fiscal welfare) and the interactions between them, with particular reference to the treatment of women. The report then investigates options for reform of the current system to meet the needs of women: improving women's access to the occupational welfare system, superannuation entitlement for the dependent spouse and ways of improving the treatment of women in the public pension system. A further chapter discusses the design of a national superannuation scheme which would provide for women adequately, and looks at systems in other countries. Some of the issues addressed are: the method of funding and the related benefit determination criteria; the design of and integration between income maintenance, income security and private occupational superannuation systems; the income unit for taxation and benefit payments; and the treatment of survivorship. Some recommendation are made.

ADEQUACY, DEMOGRAPHY, PENSIONS, SUPERANNUATION, TAXATION, WOMEN

402 Rosenman, Linda and Sharon Winocur (1989), *Australian Women and Economic Security: A Research Report*, University of Queensland, 80pp.

'The research upon which this report is based investigated the past, current, and future expected patterns of work, family, and financial management, including superannuation scheme membership, amongst a sample of over 1000 Australian women aged across the adult life span.' The results indicate a change in life patterns; superannuation benefits will be limited at their retirement ages. 'The majority of older women are, or expect to be, dependent upon the Age Pension in old age, or if widowed. Younger women are more likely to expect to be self-reliant in retirement, albeit predominantly through occupational superannuation benefits acquired by a spouse. Currently, however, women have no established entitlement to such benefits in old age or if a marriage is dissolved.' The report makes a number of recommendations.

PENSIONS, SUPERANNUATION, WOMEN

- 403 Rosenman, Linda and Sharon Winocur (1990), 'Retirement incomes and women: the challenge for social security policy', in Peter Whiteford, ed., *Social Policy in Australia: What Future for the Welfare State?*, Proceedings of National Social Policy Conference Sydney, 5-7 July 1989, Volume 5: Concurrent Sessions, Income Maintenance and Income Security, SPRC Reports and Proceedings No. 83, Social Policy Research Centre, University of New South Wales, Sydney, 115-27.

The gender composition of the aged population now and in the future has implications for social policy, particularly retirement incomes policy. 'The Australian population aged over 60 is predominantly female. Amongst the oldest age cohorts, the percentage of women continues to increase'. Seventy-eight per cent of all older income units receive a public pension and 45 per cent receive more than 90 per cent of their income from government income support. This may change, particularly with the encouragement of superannuation as a tax advantaged form of retirement saving. However, 'unless greater consideration is given to women's options for retirement income planning, there is reason to be concerned that future generations of women may be even further economically disadvantaged in old age'.

This paper reports on a research project on Women and Financial Planning, with a focus on lifetime patterns of employment, family, and retirement income planning of Australian women. The methodology is described and the results presented in terms of work status, labour force history, breaks for children, superannuation coverage. They show the importance of family income to women; 'women, when they become single through widowhood or divorce, are penalised economically in old age for socially sanctioned decisions made during mid-life'. 'There are three major sets of issues that retirement incomes policy needs to confront in dealing with the challenge of ensuring women's income security in old age.' These relate to enabling women to become economically independent in their own rights in old age; ensuring that women can maintain into old age a standard of living that has been determined by family income rather than individual earnings during mid-life; and to the adequacy of the age pension.

#### ADEQUACY, PENSIONS, POLICY, SUPERANNUATION, WOMEN

- 404 Rosenman, Linda and Sharon Winocur (1991), 'The issue of equity in superannuation', in Evatt Foundation, *The Super Rich and the Super Poor: New Directions in Retirement Incomes Policy*, proceedings of a conference, Evatt Foundation, Sydney, 5-20.

'Superannuation is at best only one aspect of a retirement incomes policy. There are major problems with making superannuation, either occupational or award, the main plank in a retirement incomes policy. These include its difficulty in dealing with the problems of adequacy and equity of retirement income. The focus of this paper is on equity in relationship to women. This is not to suggest that the equity issues that I will discuss are only faced by women (many of the issues are relevant to men,

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particularly to those who work in low paid and/or casual non-permanent jobs) nor that all women are disadvantaged in terms of superannuation. Women as a group pose a particular problem for contributory retirement incomes programs such as superannuation because their lives do not usually match the pattern that superannuation has been designed around.' The factors involved are identified. The paper discusses: women's work life patterns and the implications for superannuation coverage for women; low wage workers and superannuation; the issue of individual as opposed to family ownership and entitlement to superannuation; women as scheme beneficiaries particularly in terms of the interaction of superannuation with the age pension; annuities for women; and survivorship, dependent spouses and superannuation.

#### ADEQUACY, ANNUITIES, COVERAGE, PENSIONS, SUPERANNUATION, WOMEN

- 405 Rosenman, Linda and Sharon Winocur (1994), 'Women's work patterns and the impact upon provision for retirement', in *Women and Superannuation, Selected Seminar Papers*, EPAC Background Paper No. 41, Office of Economic Planning Advisory Council and Office of the Status of Women, AGPS, 95-104.

The paper focuses upon 'occupational superannuation or employer arranged superannuation which may be a voluntary part of an employment contract or a requirement of employment. This has been the focus of much of the taxation and anti-discrimination regulation during the past decade; and compulsory superannuation legislated as the Superannuation Guarantee charge (SGC) which is an extension of award superannuation'. It looks at both primary entitlements and derived entitlements. The authors argue that 'attention now needs to be turned to policies that might improve the adequacy and equity of superannuation for all women', and outlines some options.

#### ADEQUACY, COVERAGE, SUPERANNUATION, SGC, WOMEN

- 406 Ross, Iain (1991), 'Superannuation - the ACTU view', in Evatt Foundation, *The Super Rich and the Super Poor: New Directions in Retirement Incomes Policy*, proceedings of a conference, Evatt Foundation, Sydney, 21-8.

The paper outlines the reasons for ACTU support for superannuation legislation: equity, coverage, the ageing of the population and non-compliance. Each is discussed. Recent legislative changes are described and discussed. Specific issues for Government to consider are: equity in relation to women workers and the lower paid; an appropriate entitlement threshold; appropriate measures for fund selection; and exemptions.

#### COVERAGE, DEMOGRAPHY, POLICY, SUPERANNUATION, UNIONS

- 407 Ross, Steven (1994), 'Taxation, superannuation and women', in *Women and Superannuation*, *Selected Seminar Paper*, EPAC Background Paper No. 41, Office of Economic Planning Advisory Council and Office of the Status of Women, AGPS, 105-14.

This paper compares the taxation treatment of superannuation with that of other forms of saving (owner-occupied housing, rental property, cash deposits, life insurance policies, bonds, shares, contributions to superannuation funds by employers and employees as top-up payments). It also looks at differing personal tax rates and then at superannuation and women. The analysis suggests that: 'employer superannuation contributions, which is the only compulsory form of saving, is generally the most tax effect form of saving when compared with other forms of saving'; higher income earners are benefiting relatively more than lower income earners from current arrangements; 'low income earners, and more so women, are monetarily disadvantaged simply because they earn less income and in many cases work less. It is more common for women to leave the labour force for "legitimate" reasons such as child rearing than it is for men, and the system does not recognise this'.

#### SAVINGS, SUPERANNUATION, TAXATION, WOMEN

- 408 Rowland, D.T. (1981), *Sixty-Five Not Out: Consequences of the Ageing of Australian Population*, Institute of Public Affairs (NSW), 21pp, including a 'Postscript' by D.A. Dixon.

The pamphlet looks at the impact of ageing on Australian society, at the demographic changes which contribute to ageing and the growing numbers of aged people. Budget outlays on social security payment will grow with 'income maintenance for the healthy aged being the largest single component of Australian social security expenditure'. Policy questions on the best programs of income maintenance are raised.

#### DEMOGRAPHY, POLICY

- 409 Rowland, D.T. (1991), 'Economic resources', in D.T. Rowland, *Ageing in Australia*, Longman Cheshire, Melbourne.

'Australia faces the prospect of a continuing escalation in expenditure on the aged. Much of the increase will depend on the growing numbers becoming old and frail, but other factors will reinforce this process by requiring higher per capita expenditure.' These factors are discussed. The author also looks at arguments about targeting social security provisions. The chapter 'assesses the economic resources of the aged, to highlight associated economic issues confronting Australia's ageing population'. The factors considered are labour force trends, pensions, income and expenditure, intergenerational equity, self-provision and the life cycle.

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'Although trends can be discerned, future directions will depend substantially on the state of the economy and on the extent of government initiatives in policies affecting employment and the provision of pensions. In terms of access to government pensions and benefits, the trend in recent years has been towards more selective, needs-based provision, and the prospect of the "pension mountain" in the second decade of the next century should ensure continuing action to better enable cohorts to save for their old age. Further analysis, on a cohort basis, could contribute much towards understanding the extent to which the economic and social characteristics of the aged will change over the years ahead, and the extent to which members of each cohort will be able to provide for themselves.'

#### DEMOGRAPHY, MEANS TEST, PENSIONS, POLICY

- 410 Saunders, P. (1990), 'Population ageing and age pension policy', *Australian Journal on Ageing*, 9(2) May, 49-55.

The paper looks at developments in age pension policy in OECD countries. International evidence on the age structure of OECD countries and their pension expenditure is reviewed 'in order to assess the relevance of two alternative explanations of differences in the generosity of pension provisions. The implications of the two explanations for the impact of population ageing on pension expenditure are drawn out'. Developments in the Australian age pension are analysed to examine 'the extent to which such provision is made available on a selective or targeted basis, a key feature of income support policy development under the Hawke government. The paper describes a framework that allows estimation of the impact of policies introduced under the Hawke government. The method is applied to developments since the late sixties, in order that the impact of the assets test and other policies introduced since 1983 can be assessed against these longer run trends'. This shows how the degree of selectivity in Australia has resulted in government expenditure savings, illustrating one way in which governments have been influencing the social expenditure implications of population ageing. 'Whether such moves to reduce pension generosity (and coverage) will continue to be politically feasible as the number of aged persons increases is a crucial, but as yet unresolved, question.'

#### COMPARISONS, MEANS TEST, MEASUREMENT, PENSIONS, POLICY

- 411 Saunders, Peter (1990), *Selectivity and Targeting in Income Support: The Australian Experience*, Discussion Paper No. 17, Social Policy Research Centre, University of New South Wales, Sydney, 30pp.

The Australian income support system is often characterised as one of the most selective in the Western industrialised world. This paper examines the sense in which the Australian system is selective and discusses the distinction between selectivity and targeting in income support provisions. The paper contrasts

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developments in social security outlays and recipient numbers over the last two decades with those occurring since the election of the Hawke Government in 1983 in order that the nature and impact of recent policies introduced to increase targeting can be identified. The statistical analysis indicates that increases in recipient numbers have been the dominant factor underlying the past growth in outlays, and illustrates how the targeting strategy employed in recent years has been primarily directed at restraining the growth in recipient numbers. In many areas, moves to increase income support targeting have not been accompanied by more highly selective provisions. Finally, a method is devised to measure the degree of selectivity in income support programs, and applied to developments over the 1969-89 period in age pensions, family assistance and sole parent's pensions.

#### MEANS TEST, MEASUREMENT, PENSIONS, POLICY

- 412 Saunders, Peter (1995), *Social Security Contributions: An Australian Perspective*, Research Study No. 4, Australian Tax Research Foundation, Sydney, 169pp.

There has been a recent rapid growth in the number of Australian workers participating in superannuation schemes. 'This has in large part resulted from the introduction of the Superannuation Guarantee Charge which sets the minimum level for employers' contributions to employees' superannuation schemes. However, in all the debate over how best to provide for individuals in their retirement or to fund their social welfare entitlements, very little attention has been given to the use of social security levies collected by the government.' This book outlines Australian policy as it relates to these issues and to the taxation system. The role of social security contributions in the revenue systems of OECD and Asian countries is discussed. The book also presents 'an overview of the economic consequences of contributory finance, focusing on the key issue of community attitudes to contributions vis-a-vis general taxes and the willingness to pay question'. Finally the author examines the possible introduction of a 'long-term care levy which would be used to finance the projected increase in budget outlays associated with the ageing of the population'.

#### ATTITUDES, COMPARISONS, PENSIONS, POLICY, SUPERANNUATION, SGC, TAXATION

- 413 Saunders, Peter and Michael Fine (1992), *The Mixed Economy of Support for the Aged in Australia: Lessons for Privatisation*, SPRC Discussion Paper No.36, Social Policy Research Centre, University of New South Wales, Sydney, 26pp.

'This paper describes and analyses aspects of Australian income support and service arrangements for the aged in the context of broader issues relating to privatisation. It is argued that much of the welfare privatisation debate is overly simplistic and does

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not recognise the important role which the non-government sector already plays in both aspects of support for the aged. Analysis of income data shows, for example, that transfer income currently accounts for less than half of the income of the aged. The trend towards superannuation is apparent in the data, although some doubts are raised about the impact of superannuation expansion on the implications for the costs of retirement income support of population ageing.'

#### PENSIONS, SUPERANNUATION

- 414 Sax, Sidney (1990), 'Development of public policy for the aged', in Hal Kendig and John McCallum, eds, *Grey Policy: Australian Policies for an Ageing Society*, Allen and Unwin, Sydney, 23-40.

The chapter presents 'brief background comments ... concerning both the development of welfare services for the aged and the separate system of income support for age pensioners'. The section on income security is a history of the age pension from calls for some provision for those in need in the 1890s to the legislation changes made following the election of the Labor government in 1983.

#### PENSIONS, POLICY

- 415 Sax, Sidney (1993), *Ageing and Public Policy in Australia*, Allen and Unwin, Sydney, 179pp.

This book includes a short section (pp 140-6) on income, presenting statistics on the numbers of people dependent on pensions and the pension level. There is discussion of the special situation of women, of fringe benefits, adequacy, superannuation and the superannuation rights of survivors and the superannuation guarantee levy.

#### ADEQUACY, FRINGE BENEFITS, PENSIONS, SUPERANNUATION, SGC

- 416 Schulz, James H., Allan Borowski and William H. Crown (1991), *Economics of Population Ageing: The 'Graying' of Australia, Japan, and the United States*, Auburn House, New York, 364pp.

The authors point out that 'dependency ratios' are only one aspect of the economics of society with an ageing population. Other factors, addressed here, are the differential expenditure patterns of the very young and the very old, economic growth, 'early retirement', changing societal expectations regarding the levels and adequacy of retirement income, and the changing nature of work opportunities for older people.

After presenting a brief overview of the demographic ageing phenomenon, the book provides a summary of major economic programs for the aged in the three countries of the title. It then looks at the dependency-ratio concept and what it says or (does

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not say) about the future 'burden of the elderly'. Expenditure patterns of young and old are examined and the impact of future economic growth on the changes in the dependency ratio are assessed. The authors then 'review the evolution of retirement policies in the three countries, focusing on the influence of unemployment and the way pension plans have been designed, especially with regard to evolving early and mandatory retirement policies'. They discuss the adequacy of pensions, the level of benefits and progress in the improvement of the economic status of the aged. One chapter examines the question of universal pension benefits versus target benefits through means testing; one looks at traditional avenues of support through families and private savings; and one discusses the role of employment in the ageing society. The authors conclude that the demographic impacts of population ageing were 'swamped' by economic growth effects. 'Even moderate rates of real economic growth enable substantial increases in real per capita support costs to take place without increasing the burden on workers.'

ADEQUACY, ATTITUDES, COMPARISONS, DEMOGRAPHY, MEANS TEST, PENSIONS, SAVINGS

- 417 Scott, David (1984), 'A sleeping policy issue', *Australian Society*, 3(10), October, 27-8.

The article is concerned with universalism and selectivity in Australian social policy, which are 'implicit in highly controversial issues such as asset and means testing for pensions and benefits and in eligibility requirement for welfare services'. The adequacy of pensions under current conditions is discussed along with government policy on the provision of pensions. Taxation issues are taken up. The author supports universalism, but also recommends directing resources to those in greatest need. 'Adjustments for equity and to phase out means tests can be made if and when taxation collection becomes more efficient or higher rates become politically acceptable.'

ADEQUACY, MEANS TEST, PENSIONS, POLICY, TAXATION

- 418 Scutt, Jocelyne A. and Di Graham (1984), *For Richer, For Poorer: Money, Marriage and Property Rights*, Penguin, Australia, 195pp.

The book is concerned with the distribution of assets following divorce. Superannuation is a particular asset which is not always taken into consideration at this time and the authors point to inconsistencies in this area.

DIVORCE, SUPERANNUATION

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- 419 Senate Select Committee on Superannuation (c.1992), *Super Guarantee Bills: Second Report of the Senate Select Committee on Superannuation*, Parliament of Australia, AGPS, Canberra, 152pp.

The report presents discussion by the Senate Select Committee of the provisions in the Superannuation Guarantee Bills (four Bills in all). It includes a description of the Superannuation Guarantee Levy (SGL); a rationale for its introduction; provisions relating to targets, timetable and levels of contribution, compliance and coverage; discussion of the economic impact; expected interaction of SGL with social security; interaction with state governments; some amendments put to the committee by organisations and individuals; and a list of recommendations made by the Committee. It also includes two minority reports, one by Senators Alston and Watson, and another by Senator Kernot, as well as Government responses to issues raised by the Australian Democrats.

#### POLICY, SGC

- 420 Senate Standing Committee on Community Affairs (1988), *Income Support for the Retired and the Aged, An Agenda for Reform*, AGPS, Canberra, 424pp.

'In this report the Committee examines the role and effectiveness of the Commonwealth Government in providing income support for the aged and makes recommendations for a more equitable and comprehensive income security system for Australians of retirement age.' It begins by describing the types and range of government pensions and benefits available to the aged and discusses their importance as a source of income, their cost and the financial implications of an ageing population. Chapter 2 discusses the adequacy of current arrangements and makes recommendations for the improvement of the level of age and service pensions, rent assistance, access to pensioner fringe benefits, indexation and taxation. Chapter 3 looks at criteria for availability. Chapter 4 examines inequities and anomalies in present means testing of pensions and the role of home ownership. Chapter 5 examines the feasibility of replacing the existing pension system with a contributory, earnings-related system of national superannuation similar to the social insurance schemes operating in other Western countries. Chapter 6 points to the necessity for changes and considers reform options. 'A proposal is put forward for a two-tiered pension system which at one level, would provide a flat-rate, non-means-tested income supplement to those in particular need who are unable to supplement their income in retirement and old age from other sources.'

Chapter 7 describes the occupational superannuation system, highlighting its uneven coverage within the workforce and documenting the comparatively low level of benefits received by most participants. Chapter 8 evaluates the merits and costs of financing superannuation through the taxation system while Chapter 9 explores principles of access and equity, making recommendations for improving coverage. Chapter 10 addresses the problem of benefits lost or dissipated prior to retirement and makes recommendations to extend vesting and preservation regulations.

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Chapter 11 looks at pension take-up, lump sum payments and reforms to superannuation provisions. The final chapter reiterates the overall findings and 'emphasises the need for greater integration of the social security system and the occupational superannuation system'.

ADEQUACY, COVERAGE, DOUBLE DIPPING, FRINGE BENEFITS,  
HOUSING, LUMP SUMS, MEANS TEST, NATIONAL SUPERANNUATION,  
PENSIONS, POLICY, SUPERANNUATION, TAXATION

- 421 Senate Standing Committee on Social Welfare (1984), *Income Support for the Retired and Aged, Progress Report*, Parliamentary Paper No. 319/1984, The Parliament of Australia, 10pp.

This progress report indicates the range and diversity of the issues that have been brought to the attention of the committee during the inquiry since its inception in 1983. It sets out the terms of reference which were concerned with the financial needs and expectations of people of retirement age 'taking account of demographic trends, and changing social and economic conditions'; with the adequacy of existing income systems; and options for the future. The report takes up the subject raised in submissions of the objectives a government should aim to achieve through its social welfare policy and initiatives: poverty alleviation; and the provision of income in retirement and old age to maintain pre-retirement living standards. The report outlines the options they considered: the retention of the present means-tested system; the introduction of a universal system; the adoption of a system of national contributory superannuation; the promotion of a guaranteed minimum income scheme; and the development of a comprehensive system compressing elements of a non-means-tested universal system and a means-tested non-contributory system. Each option must be examined while taking into account equity, efficiency, costs and effect on incentives for private retirement savings.

Submissions made to the Standing Committee before presentation of the report are included in the Official Hansard Reports of the committees sittings on 16 and 17 April 1984, 13 June 1984, and 2 July 1984, all with reference to *Australia's Retirement Income System*.

ADEQUACY, MEANS TEST, NATIONAL SUPERANNUATION

- 422 Seth-Smith, Mary (1986), 'Debating the inevitable', *Australian Economist*, 2(4), April, 1-3, 9.

The article argues that the current debate about superannuation lies not with the 'issue of superannuation, *per se*, but rather in the manner of its introduction in the form of union-employer, jointly-managed industry schemes and, more importantly, the vehicle used for its introduction, namely the productivity award'.

POLICY, SUPERANNUATION

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- 423 Sharp, Rhonda (1992), 'The rise and rise of occupational superannuation under Labor', *Journal of Australian Political Economy*, 30, December, 24-41.

'When the Hawke Labor government came to office there were a range of policy options available to it. Faced with a number of choices, the policy directions taken in relation to occupational superannuation were not inevitable. However, there were strong pressures for the adoption of a privately-provided, occupational superannuation system rather than a national superannuation scheme. Under the Labor government superannuation has gained a new and historically unique place on the Australian public policy agenda. Being part of retirement incomes policy, wages policy, taxation policy and potentially industry policy much is being expected of occupational superannuation in this country. While there is scope for policy coordination these are also competing agendas. It is therefore imperative to have clear goals for our retirement income system and to strategise, and evaluate, the process used for achieving them.'

#### POLICY, SUPERANNUATION

- 424 Sharp, Rhonda (1995), 'Women and superannuation: super bargain or raw deal', in Anne Edwards and Susan Magarey, eds, *Women in a Restructuring Australia: Work and Welfare*, Allen and Unwin in association with the Academy of Social Sciences in Australia, 175-90.

'The purpose of this chapter is first to examine the origins of ... (the) nexus between wages policy and superannuation in Australia, particularly with a view to understanding the role of economic restructuring in its development and, second, to analyse the economic implications for women of making wages policy the vehicle for increasing the superannuation component of retirement incomes.' The author concludes that 'women's relatively lower income during their working lives will be the basis of their relative income levels in retirement'.

#### SUPERANNUATION, WOMEN

- 425 Sharp, Rhonda and Ray Broomhill (1988), *Short-changed: Women and Economic Policies*, Allen and Unwin, Sydney, 198pp.

The book begins with a theoretical perspective, linking women and the capitalist state and women and economies. There follows a series of case studies of which women and superannuation is one. This chapter outlines the reasons why superannuation is an important issue for women, including the following benefits: an independent, and superior, source of retirement income in addition to the state's aged pension; generous taxation benefits and concessions during one's working life; income protection for dependants through insurance against death; income insurance against invalidity; and a highly attractive form of savings through deferred pay. It also identifies the ways in which women have unequal access to superannuation and the reasons why women do not join superannuation schemes, discussing in

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particular, overt discrimination and labour force segmentation. A further section looks at ways in which superannuation schemes discriminate against women members in preservation, portability, vesting and maternity and parenting leave provisions. Other discriminatory features are the use of actuarial data in computing payouts, the earnings related nature of schemes and the limited and insecure nature of spouse benefits. The role of the state in the development of occupational superannuation is explained, and changes under the Hawke Labor Government outlined. The chapter concludes with a feminist strategy on superannuation, listing reform measures, though the introduction of these would still leave women a long way short of equality with men in their retirement incomes. 'A realistic alternative option for women to push for in the medium term, however, is for women to lobby the state to build its retirement income policy around a national superannuation strategy that is not directly earnings-related.'

#### POLICY, SUPERANNUATION, WOMEN

- 426 Shaver, Sheila (1984), 'The assets test and the political means of testing', *Australian Journal of Social Issues*, 19(4), November, 300-6.

This article extends the arguments put forward by McCallum (1984, q.v.). It examines 'the political dynamics underlying the long drift toward a universal age pension. The relaxation of the means test has reflected a changing relationship between the economic and political dimensions of Australian social security provision. An examination of the forces underlying the extension of pension entitlement up the income scale suggests that these changes will not easily be reversed'.

#### MEANS TEST, PENSION, POLICY

- 427 Shaw, Diana (1983), 'First steps to right inequities', *Australian Society*, 2(6), July, 13-15.

From 30 June 1983, changes have been made to the taxation of superannuation payments. 'The aim of the new provisions, apart from reducing the amount lost this year in superannuation tax concessions, is to reduce the current bias in favour of taking lump sums on retirement, and, by making annuities and pensions more attractive, to promote greater self-provision by people in retirement. It is hoped that the move will minimise "double dipping", whereby people invest their lump sum benefits in such a way that their income is below the commonwealth age pension income cut off'. The article discusses various issues and inequities in the current system, including the provision of indexed pensions to members of some schemes. The author concludes that the government might be advised 'to reopen investigations into some form of comprehensive national superannuation'.

#### DOUBLE DIPPING, LUMP SUMS, POLICY, SUPERANNUATION, TAXATION

- 428 Shaw, Jeffrey and Steven Crawshaw (1985?), *The Industrial Issue of Superannuation: A Legal Study*, Specialist Newsletters, Sydney, 38pp+.

Following the expansion of superannuation coverage of ordinary wage earners, the authors examine the question of the past and possible future intervention by industrial tribunals into the area of making and altering the terms and conditions of superannuation schemes.

#### POLICY, SUPERANNUATION

- 429 Simms, Marian (1990), 'The politics of the assets test: the political peril in daring to attack "home sweet home"', in Hal Kendig and John McCallum, eds, *Grey Policy: Australian Policies for an Ageing Society*, Allen and Unwin, Sydney, 41-54.

The chapter discusses the reintroduction of an assets test on social security pensions, by the Hawke Government in September 1984, with particular emphasis on the age pension.

#### MEANS TEST, PENSIONS, POLICY

- 430 Slater, Libby (1990), 'Superannuation and you', *Taxation in Australia*, 25(4), October, 319-21.

The article outlines ways in which professional people can set up superannuation funds appropriate to their situations.

#### SELF-EMPLOYED, SUPERANNUATION

- 431 Smith, Barbara (1991), 'Women and superannuation', in *The Super Tax Rot*, ACTCOSS Occasional Paper, 29-33.

'The National Wage case decision in 1986 brought superannuation into the industrial arena for the first time, and the eventual effect was that a three per cent wage increase was to be expressed as Industry Superannuation. In principle Industry Superannuation became a compulsory obligation for many employers. It affected women more markedly than men. Prior to this decision, superannuation schemes had been biased in favour of certain highly paid white collar male workers, with long, uninterrupted service, with the same employer. Few part-time workers, and no casual workers, areas where most positions are filled by women, were covered by superannuation schemes. The few women who were covered by superannuation often received lower benefits because of increased benefits paid workers with the most number of years of uninterrupted service, women often subsidised the men in the scheme with their contributions.

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Major changes were made to the tax deductibility of contributions to superannuation schemes with effect from 1 July 1990. I would have hoped that the Government, which claims to be committed to a fair and equitable taxation system, both vertical and horizontal, would have implemented a system that treated all people fairly, or even positively discriminated in favour of lower income earners, most of whom are female. Sadly, this has not been the case. In fact we now have a complex system in place which positively discriminates in favour of the wealthy.' The article then describes the tax concessions applicable from 1 July 1990 and their implications.

#### COVERAGE, POLICY, SUPERANNUATION, TAXATION, WOMEN

- 432 Smith, Philippa and Linda Adamson (1980), *Early Retirement: Blessing or Curse*, Australian Council of Social Service, 90pp+.

The publication discusses the age of retirement, early retirement and the effects of mandatory retirement. It 'raises the need for a policy which will allow a flexible retirement age offering the optimum of personal choice within a particular age range, including the possibility of work options for those wishing it after their "normal retirement age"'. One chapter discusses superannuation, describing current provisions and situations. An appendix compares the old age pension and the poverty line.

#### ADEQUACY, ELIGIBILITY, PENSIONS, SUPERANNUATION

- 433 Social Welfare Policy Secretariat (1984), *Pensioner Fringe Benefits: Their Range, Cost and Value*, Department of Social Security, AGPS, Canberra, 162pp+ appendices.

The study had three objectives: 'to identify fringe benefits that are currently made available to pensioners by Commonwealth, State and local governments and by private organisations; to estimate the cost of providing Commonwealth and State Government fringe benefits; and to estimate the value of these benefits to individual pensioners and, in so doing, to estimate the extent to which the full range of fringe benefits contribute to the overall level of assistance to pensioners and to the adequacy of their standard of living'. The sources of data are described and the term 'fringe benefits' as defined.

#### ADEQUACY, FRINGE BENEFITS

- 434 Spry, I.C.F. (1988), 'Superannuation: the proposed new regime for the taxation of superannuation funds', *Australian Tax Review*, 17(3), September, 185-90.

The article describes the proposals made in the May Economic Statement 1988, and expanded in further statements by the Treasurer in June and July 1988. The issues involved are: taxation of superannuation fund income, taxation of contributions to

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funds, payment of income tax on fund income and on contributions, pooled superannuation funds, deductions for contributions to funds, eligible termination payments, reasonable benefit limits, pensions and annuities, roll-overs, public sector funds and maximum contributions.

#### ANNUITIES, FUNDS, POLICY, SUPERANNUATION, TAXATION

- 435 Stemp, Peter (1988), *Tax Concessions for Occupational Superannuation: Implications for Aggregate Saving*, CEPR Discussion Paper No. 185, Centre for Economic Policy Research, Australian National University, 29pp; also published in *Economic Papers*, 7(2), June, 33-53.

Occupational superannuation has made up between 25 and 50 per cent of household saving in each year since the late 1960s, and receives substantial tax concessions. It is an even more important part of aggregate saving because of the ageing of the Australian population. This paper examines the interaction between occupational superannuation and taxation and the implications for aggregate saving in this country. It presents recent trends in superannuation saving, a profile of superannuation contributions and trends in benefits. It then discusses five issues: the implications of public funding of superannuation and pension schemes; the implications of increasing the share of privately funded schemes; the relationship between annuity markets and saving accounts and saving; and the impact of the availability of superannuation and pension schemes on labour force participation. It discusses tax concessions for superannuation saving and looks at the effects of those tax concessions on saving behaviour. The paper concludes that the 'fact that benefits from such tax concessions are not distributed uniformly throughout the population while the costs of such tax concessions must be borne by all taxpayers is an issue that must ... be addressed in any review of such tax concessions'.

#### ANNUITIES, SAVINGS, SUPERANNUATION, TAXATION

- 436 Sweeney, Brian, and Associates (1992), *Community Education Campaign on Benefit of Saving for Retirement Through Superannuation, A Strategy Document*, Research Report prepared for Office of Government Information and Advertising, 30pp.

A two phase research program was carried out by Brian Sweeney and Associates on behalf of the Office of Government Information and Advertising to assess community knowledge and attitudes with respect to superannuation. The results were reported and a strategy document was then prepared to assist in the preparation of a community education campaign.

#### ATTITUDES

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- 437 Sweeney, C.A. (1984), 'Lump sums payable on retirement or termination of employment', *Australian Law Journal*, 58, May, 295-6.

The note discusses the taxation of lump sums paid in more than one payment.

#### LUMP SUMS, TAXATION

- 438 Sword, Greg (1986), 'The Storemen and Packers' Union superannuation scheme', in Ronald Mendelsohn, ed., *Finance of Old Age*, Centre for Research on Federal Financial Relations, Australian National University, Canberra, 95-105.

The chapter describes and discusses the superannuation scheme, the Labour Union Co-operative Retirement Fund, set up in 1978 by the Federated Storemen and Packers' Union of Australia. 'The Union has been a significant force for change in the superannuation area.' The principles they established have had an influence on other retirement planning schemes.

#### FUNDS, SUPERANNUATION, UNIONS

- 439 Tahmindjis, Phillip (1980), 'Family law - claim by former wife for alteration of property rights in respect of respondent's superannuation benefits - adoption of new procedure by primary judge', *Australian Law Journal*, 54, November, 677-9.

Because of the nature of superannuation which is a future benefit with fluctuating value and because the superannuitant has virtually no powers to deal with it, the Full Court of the Family Court has held that the entitlement is not 'property' within the meaning of the term in the *Family Law Act 1975*. Nevertheless, the Full Court has ruled that the non-contributory spouse (usually the wife) 'has in fact made a form of contribution for future security', and 'it is considered equitable that the non-contributor receive something.' However, the Court has shown a preference 'for adjusting the interests in other items of matrimonial property to equalise the future financial disparity, and has shied away from the approach of deferring the order or the application until the superannuation entitlement vests in possession'. This report discusses a case where the judge did 'stand over an application indefinitely'.

#### DIVORCE, SUPERANNUATION

- 440 Tahmindjis, Phillip (1982), 'The approaches of the Family Court of Australia to superannuation entitlements', *University of Tasmania Law Review*, 7(2), 191-217.

The article examines Part VIII of the Family Law Act 1975 which 'specifically enables the court to take a superannuation entitlement into account in relation to both

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maintenance ... and on adjustment of property interests between spouses ...' The interpretation of sub-sections has resulted in consideration of the entitlements in further ways. The operation of the Act in various cases is described. The author concludes that there is 'a fundamental lack of a coherent social policy as to the entitlement of a divorced spouse to a portion of the other spouse's superannuation benefits'.

#### DIVORCE, SUPERANNUATION

- 441 Taussig, Michael (1986), 'Superannuation in family law - the last three years and the future', *Australian Law News*, 21(8), September, 30-1.

The article describes judgements which have dealt with superannuation in the case of financial settlements in the Family Court. The author speculates about recommendations to be made by the Law Reform Commission.

#### DIVORCE, SUPERANNUATION

- 442 Taussig, Michael (1987), 'An update on superannuation Quo vadis', *Australian Family Lawyer*, May, 6-14.

The paper analyses 'some typical clauses in a superannuation deed; the way in which superannuation is dealt with in the Family Law Act 1975; and the approaches taken by the Family Court in cases involving superannuation.' It also summarises the author's views on future directions.

#### DIVORCE, SUPERANNUATION

- 443 Taxation Institute of Australia (1988), 'Business tax reform: raising the level of debate', *Taxation in Australia*, 22(9), April, 519-30.

The article includes a section on superannuation which argues that it 'is a sensitive issue and the community and social benefits and government relief from the pension burden, need to be carefully weighed and considered before the existing system, which is broadly in line with most OECD countries is abandoned'.

#### POLICY, SUPERANNUATION, TAXATION

- 444 Taxation Institute of Australia (1990), 'Superannuation: wrinkles in the reforms', *Taxation in Australia*, 25(4), October, 312-6.

Major changes in the superannuation system have been taking place frequently in recent years. This article outlines some of them, with their implications. Two following short articles argue that the changes are too complex ('Pinning the tail on

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the donkey', quoting Robert Allerdice) and that the prospect of interference by government causes uneasiness ('A spectre haunts funds', quoting Ray Stevens of the Association of Superannuation Funds of Australia).

#### POLICY, SUPERANNUATION

- 445 Taxation Institute of Australia (1994), Special Superannuation Edition, *Taxation in Australia*, 28(10), May, 540-57.

This edition includes a series of articles dealing with aspects of administration of superannuation funds.

#### FUNDS

- 446 Taylor, Sue and Paul Little (1994), 'Compulsory occupational superannuation: forsaking individual protection for the national interest', in David Knox, ed., *Superannuation: Contemporary Issues*, Longman Professional Publishing, Melbourne, 148-70.

The chapter sets out to establish the reasons underlying the introduction of compulsory superannuation in Australia. The authors conclude that the 'primary factor underlying the establishment of compulsory superannuation programs which require individual Australians to provide for their own retirement, was the government's need to alleviate increasing demands on budgetary resources'. They raise issues about the interests and rights of individual workers.

#### POLICY, SGC

- 447 Teulan, Stephen J. (1985), *Financial Planning for Retirement*, Longman Professional Publishing, Sydney, 107pp.

The book has been prepared to assist people who receive substantial lump sum payments on retirement to make decisions about long term planning and investment to provide maximum current and future benefits.

#### INVESTMENT, LUMP SUMS

- 448 Tomlinson, John (1991), 'The superannuation con', in *The Super Tax Rort*, ACTCOSS Occasional Paper, Canberra, 15-28.

'The Australian Trade Union Movement and the Federal ALP have sold the lower paid workers down the drain with the current spread of superannuation schemes. The whole superannuation con has been perpetrated in order to legitimise this tax avoidance mechanism of the rich. The current round of superannuation schemes

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simply extend the inequalities from the work phase into the post work phase of peoples' lives.' The author argues for a guaranteed minimum income scheme rather than superannuation and a mismatch of welfare income policies. In this paper, the attempts 'to intertwine the scams implicit in our existing super schemes, with the problems and difficulties inherent in the Australian income maintenance system'.

#### POLICY, SUPERANNUATION, TAXATION

- 449 Townsend, Len (1979), 'Union superannuation in the motor industry', *Australian Bulletin of Labour*, 5(3), June, 31-5.

'Trade union members in Australia are discriminated against in matters of superannuation. In 1974 less than 25 per cent of production workers had access to superannuation, whereas 47 per cent of administrative staff had superannuation'. Even those who do have superannuation have very poor benefits. The author argues that this situation is no longer acceptable. 'It is not the objective of the union to replace the social security system. Ideally, all of the benefits the unions are looking for could be provided through the social security system. However, they are not.' The article looks at national superannuation schemes but supports the introduction of an industry superannuation plan for the whole of the motor industry. The union role in such arrangements is discussed.

#### NATIONAL SUPERANNUATION, POLICY, SUPERANNUATION, UNIONS

- 450 Tracy, Martin B. and Paul Adams (1989), 'Age at which pensions are awarded under social security: patterns in ten industrial countries, 1960-1986', *International Social Security Review*, 42(4), 447-61.

'In the past two-and-a half decades, many industrial nations have adopted legislation that provides greater flexibility in the age of first eligibility for old-age pensions under social security systems. The result has been a substantial reduction in the typical age at which workers initially received their pensions.' Two aspects of policy have been responsible for this. Firstly, the use of early pensions to encourage older workers to leave the labour force to make way for younger unemployed persons. Secondly, the introduction of flexible pension options, making it possible for workers to choose the retirement age best suited to their personal needs. There is widespread disagreement, however, as to whether flexible pension options actually promote early retirement. A major obstacle to understanding this latter has been a lack of suitable data, particularly data suitable for cross-national analyses. 'The purpose of this study is to help fill in the void in the available data and to analyse the impact of changes in the age of eligibility on the proportion of pensions awarded early...This is done by examining the incidence of new awards under each pension option, by sex and age, for each year in the period 1960-1986. The countries included in the study are: Australia, Belgium, Denmark, Finland, France, the Federal

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Republic of Germany, Norway, Sweden, the United Kingdom and the United States.'

#### COMPARISONS, ELIGIBILITY, PENSIONS, POLICY

- 451 Tracy, Martin B. and Fred C. Pampel, eds (1991), *International Handbook on Old-Age Insurance*, Greenwood Press, New York, 247pp.

'This international handbook analyzes the economic, social, and cultural impact of aging populations on government social insurance policies. It examines how governments, nongovernment organizations, communities, and families in different societies respond to changes in traditional income and social service support systems for the elderly.' It examines the programs of twenty nations, by describing the basic features of income programs for the elderly and the major current issues affecting policy decisions in a given country. Each chapter gives historical development; principle program characteristics; funding mechanisms; programs for special populations; current policy issues; supplemental provisions; and a synopsis of the most salient program features.

#### COMPARISONS, PENSIONS, POLICY

- 452 Trade Practices Commission (1992), *Life Insurance and Superannuation*, Trade Practices Commission, 188pp+.

This report was prepared in response to a direction of the Minister of Consumer Affairs. It deals with consumers' experiences with life insurance and superannuation agents. In particular it reports on research into: the means by which consumers identify and select life insurance and superannuation advisers; the availability of impartial financial advice; the adequacy of regulations to ensure fair conduct by life insurance agents; the causes and effects of early termination by consumers of life insurance products and suspension of contributions to personal superannuation policies; and the suitability and availability of remedies for consumers subject to unfair practices. The Trade Practices Commission made recommendations with regard to several of these issues.

#### ATTITUDES, INVESTMENT

- 453 Underwood, Terry (1984), 'Let's fact up to the issue of accounting for superannuation, pensions and other post-employment benefits', *Australian Director*, 14(3), June/July, 24-7.

The author identifies four significant events which have had 'profound effects on both the status of superannuation, pension and other retirement programs and the confidence in them within various segments of society'. They are the continued increase in the number of employees covered by private and public sector plans; the

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increase in inflation; a move towards a national superannuation scheme; and the growing ratio of retirees to active employees. The article discusses problems arising from these circumstances, and puts forward some views on ways of dealing with them, in particular ways of accounting for past promises. 'However, without proper accountability the decisions that are made today which affect future generations of workers and employers are so inaccurate (may even be negligent) that future generations may be forced to abdicate their responsibility to pay for promises of a generation that kept its head in the sand.'

#### PENSIONS, POLICY, SUPERANNUATION

- 454 Unikoski, Isi (1989), *Veterans of Labour, Veterans of War: Commonwealth Payments to the Aged, 1909-1987*, Background/Discussion Paper No. 28, Social Security Review, Research Paper No. 44, Policy and Research Branch, Social Policy Division, Department of Social Security, Canberra, 48pp.

'Australia's social security system is unusual among Western industrial nations in its provision of an age pension financed from general revenue rather than contributory schemes and paid at a flat rate rather than an earnings-related rate. Rather than being primarily determined on the basis of the individual's employment history, access to the pension and the rate at which it is paid is subject to universally applied legislative provisions and administrative guidelines relating to age, residence, alternative income and property. The age pension therefore constitutes a redistribution of the national product between generations, between the working and non-working segments of the population, and between the well-off and those who are less well off.' However, the policies surrounding the formulation of the age pension involve a mix of universalism and selectivity and a conflict between seeing the age pension as meeting a need or being a civil right.

The first part of this paper examines the extent to which the inception, history and present form of age pension system have been shaped by the tension between these ideological premises. It then 'examines the present system of transfers for the aged, including war veterans. The discussion focuses briefly on the demographic shift that is taking place, and highlights some of the complexities of attempting to predict its economic implications. An important question in assessing the economic impact of the pension system is the relative level of the pension's rate of payment; as this introduces notions of "adequacy", this concept is then explored.' This exploration involves an examination of living standards, housing, sources of other income, and the means test. The conclusions of the study point to the need to take into consideration the predominance of women in the aged population when shaping future policies. 'The fact that women tend to spend a substantial number of years living alone, after a lifetime characterised by discontinuous labour force participation and exclusion from superannuation coverage has implications both for developments in the occupational superannuation field and the role of the pension in preventing poverty.' Renters and the very old may also require particular consideration.

#### ADEQUACY, HOUSING, MEANS TEST, PENSIONS, POLICY, WOMEN

- 455 Wallschutzky, I. (1983), 'Taxation and retirement', *Taxation in Australia*, 18, November, 499-516.

This paper outlines the present position regarding the taxation of retirement benefits. The following aspects are dealt with: lump sum annual leave payments; lump sum long service leave payments; lump sum superannuation payments; lump sum payments to dependants of deceased employees; annuities; taxation implications of the timing of the receipt of retirement benefits; taxation of post-retirement benefits paid by a former employer; and taxation of investment income, including provisional tax and pensioner rebates.

#### ANNUITIES, LUMP SUMS, TAXATION

- 456 Wallschutzky, Ian G. (1987), 'Taxation aspects of retirement and superannuation', in Richard E. Krever, ed., *Australian Taxation*, Longman Professional, Melbourne, 256-72.

This chapter begins with a history of superannuation in Australia, from 1862 onwards and then discusses the definition and concept of superannuation. Turning to income tax matters the author discusses deductibility of contributions, the taxation of lump sum payments on retirement, with attention to rollover and approved deposit funds and retirement annuities, the assessability of lump sum payments to dependants and the assessability of excess benefits. In a discussion of the taxation of superannuation funds, attention is given to types of funds, the traditional use of internal superannuation funds, reasonable benefits, audit requirements, the taxation of private funds under various clauses of the Taxation Act and approved deposit funds. Future directions for superannuation are discussed.

'In general, the taxation policies affecting superannuation have been quite lenient, aiming to encourage the individuals and employers to provide retirement benefits, probably to free the government of some of the responsibility of providing pensions. The concessions relating to superannuation (and other retirement benefits) have, of course, been exploited, leading to some of them being withdrawn, and others being laden with a series of conditions requiring satisfaction before the benefits are conferred. The taxation provisions are now, as a consequence, very much more complex, the more so because other laws have been introduced or amended to curb abuses of internal superannuation funds.'

#### ANNUITIES, FUNDS, LUMP SUMS, POLICY, SUPERANNUATION, TAXATION

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- 457 Walpole, Sue (1994), 'Indirect discrimination and superannuation', in *Women, and Superannuation, Selected Seminar Paper*, EPAC Background Paper No. 4, Office of Economic Planning Advisory Council and Office of the Status of Women, AGPS, 115-27.

The paper discusses the ways in which women can be discriminated against in the provision of superannuation in spite of the fact that discrimination on the basis of sex or marital status is theoretically illegal, through the operation of 'exemptions'. It considers also indirect discrimination, discusses principles for non-discriminatory superannuation, superannuation and divorce, annuities, company superannuation and enterprise bargaining. The author concludes that solutions 'must be sought in making superannuation more flexibly able to accommodate various patterns of workforce participation and in ensuring that superannuation is appropriately related to other aspects of retirement incomes policy including tax and pensions'.

#### ANNUITIES, DIVORCE, SUPERANNUATION, WOMEN

- 458 Walsh, Anne (1991), 'Low income workers and superannuation', in Evatt Foundation, *Labour Movement Strategies for the 21st Century*, Pluto Press, 80-3.

The author is concerned that, following the introduction of the three per cent contribution from employers towards occupational superannuation, low income earners should gain from the new provisions. Unions must ensure enforcement of award provisions for superannuation. 'Ultimately, the extent to which superannuation will become an equitable and sustainable component of future retirement incomes depends upon workers, particularly low income workers, perceiving it as a genuine additional benefit. The major concerns of the union movement are continuing growth in productivity and the real growth in income for families. If "super" represents a cut in take-home pay rather than an additional benefit, support for further superannuation expansion will be lost'.

#### SUPERANNUATION, SGC, UNIONS

- 459 Walsh, M.J. (1980), 'Superannuation', *Australian Director*, 10(4), August, 39-49.

The paper is concerned with problems which might arise out of the creation of non-contributory superannuation funds or other schemes for groups of employees or for directors of companies.

#### FUNDS

- 460 Walsh, Matthew J. (1986), 'Taxation shelters', *Taxation in Australia*, 21(1), July, 4-10.

The article includes contributing to superannuation among the ways in which income can be sheltered from taxation and explains the methods of achieving this.

#### SUPERANNUATION, TAXATION

- 461 Walsh, Peter, Senator the Honourable (1989), *Reform of Commonwealth Superannuation*, AGPS, Canberra, 181pp.

'This Statement sets out the Government's intentions in regard to superannuation for its own employees. The Government intends to replace the current Commonwealth Superannuation Scheme with a new scheme. The new scheme will come into effect from 1 July 1990'.

#### POLICY, SUPERANNUATION

- 462 Walters, Cathy (1988), *Policies Affecting the Labour Force Participation of Older Workers Overseas*, Background/Discussion Paper No. 24, Social Security Review, Research Paper No. 41, Social Policy Division, Department of Social Security, Canberra, 41pp.

'This paper describes the arrangements in selected countries which affect the labour market position of older workers. The aim of the paper is to provide information which is of interest when considering policy options for older workers in Australia.' The paper is restricted to the OECD countries as they tend to have economic and social conditions similar to those in Australia. 'The majority of OECD countries, unlike Australia, have either a predominantly social insurance scheme for age, disability, survivors and unemployment benefits, or a mixed insurance/assistance system'. The paper describes the flexible provisions made overseas including: early retirement on a reduced age pension; special aspects of early retirement including partial retirement and assistance for the older unemployed; and late retirement which may involve increased benefits. The issues arising from the operation of some of these provisions are discussed including the concept of reduced early retirement.

#### COMPARISONS, POLICY

- 463 Wasiliev, John and Julie Zilko (1989), *A Guide to Successful Retirement*, Ellsyd, Sydney, 167pp.

This general guide to retirement includes advice about planning for retirement income. It presents practical advice on budgeting and funding the best investment, explaining about superannuation, rollover funds, taxation etc. There is also a chapter on social security, pensions and the income and assets tests.

#### INVESTMENT, MEANS TEST, PENSIONS, SUPERANNUATION, TAXATION

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- 464 Weaven, Garry (1986), 'Superannuation: the great leap forward', in Ronald Mendelsohn, ed., *Finance of Old Age*, Centre for Research on Federal Financial Relations, Australian National University, Canberra, 107-20.

The chapter is an outline of the strategy of the ACTU for the establishment of universal superannuation coverage and describes the context for its development and the criteria decided upon for its establishment, in general terms.

#### POLICY, SUPERANNUATION, UNIONS

- 465 Weaven, G. (1989), 'Superannuation and retirement incomes policy. The crucial role of unions', *A.I.I. Journal*, 12(2), June, 18-19.

In this paper the author reviews 'the progress of the union movement's campaign for enhanced and universal superannuation coverage in order to demonstrate that the basis is being laid for a rational, equitable and dependable retirement incomes system'. He then argues 'that the further developments of superannuation depends critically upon a stable tax and regulatory environment for the future and that any more restrictive or less beneficial environment will kill superannuation stone-dead as far as the great majority of workers are concerned'.

#### SUPERANNUATION, TAXATION, UNIONS

- 466 Whelan, Domenica (1987), 'Women and super - background', *Ms Muffet*, 32, June, 8-9.

This article was delivered to a seminar on Women and Superannuation as a background paper. It presents a historical perspective on women, unions and superannuation, with particular reference to teachers.

#### SUPERANNUATION, UNIONS, WOMEN

- 467 White, C.J. (1983), 'History and trends in superannuation scheme design in Australia', *Accounting Forum*, 6(1), March, 5-17.

'The purpose of this paper is to trace some aspects of the history of occupational superannuation scheme design in Australia, in particular examining the impact of taxation policy and social security benefits.' Some reforms are suggested.

#### SUPERANNUATION, TAXATION

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- 468 White, Gary (1991), 'Superannuation: panacea for Australia's ailing economy?', *Policy*, 7(3), Spring, 14-17.

'Superannuation is an important industry, providing a key service in the marshalling and allocation of investment funds and thereby funding the retirement incomes of a growing proportion of the Australian population.' This paper argues that superannuation will not solve Australia's economic problems: increase in domestic savings through superannuation is likely to come at the expense of other forms of savings. Other problems are related to monetary policy.

#### POLICY, SAVINGS, SUPERANNUATION

- 469 Whiteford, Peter and Steven Kennedy (1995), *Incomes and Living Standards of Older People*, Research Report No. 34, Department of Social Security, HMSO, London.

This is a comparative study of incomes and living standards of older people in 11 countries, including Australia. The analysis is based on comparable income surveys held as part of the Luxembourg income study in the middle of the 1980s. It uses methods of analysis employed by the Department of Social Security in the United Kingdom. The term 'living standards' is defined to include the value of government provided health and education services, as well as disposable cash income. 'Attention is also given to the role of owner-occupied housing and liquid wealth.'

'The major conclusion of this study is that international comparisons of the incomes of older people indicate that the determinants of living standards are complex and may differ significantly in different countries. Simple comparisons based on a limited number of indicators are potentially misleading. When living standards are defined more broadly, the differences in outcomes across countries are substantially reduced.' For Australia, the inclusion of measures other than cash income reduces the proportion of people with incomes below 50 per cent of the average more than it does in most other countries.

#### ADEQUACY, COMPARISONS, HOUSING

- 470 Whittaker, Noel (1994), *Living Well in Retirement*, Simon and Schuster, Australia, 456pp.

The book aims to assist people to plan for their retirement income through investment and to keep that income secure after retirement.

#### INVESTMENT

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- 471 Wildermuth, Cathy and Dale Daniels (1986), *Commonwealth Social Security Cash Benefits Since Federation: A Chronology of Major Events to September 1986*, Basic Paper No.1/1986-87, Legislative Research Service, Department of the Parliamentary Library, Canberra, 76pp.

'This basic paper aims to provide a chronological account of the major innovations in social security pensions and benefits provided by the Commonwealth Government from Federation to 1986. The first section is about age pensions. It gives a brief history of age pensions in New South Wales and the Commonwealth; a chronology of the means test; residence requirements; and associated payments such as wives allowance, child allowance, mothers/guardians allowance, supplementary assistance/rent assistance, sheltered employment allowances, incentive allowance, spouse carers pension/carers pension, mobility allowance and remote area allowance.'

#### MEANS TEST, PENSIONS, POLICY

- 472 Wiles, David (1987), *Living on the Age Pension: A Survey Report*, SWRC Reports and Proceedings No. 64, Social Policy Research Centre, University of New South Wales, Sydney, 108pp.

'This report examines how the social policy of Age Pension provision has affected the life-chances of elderly Australians. Based upon a 1982 social survey of fifty pensioners living in Sydney, the study explores the adequacy of income provision and its implications for the quality of life in retirement, so as to yield an experiential account of life on the pension. Participants were questioned about a range of historical and contemporary influences upon their present living standards, so as to illuminate the central research themes of adequacy and deprivation.

The study found that one half of the sample recorded a worse standard of living on the pension. They adjusted to relative poverty with stoicism, and tended to discount any deprivations suffered. This survey indicates that forward financial planning towards retirement is unlikely amongst those of modest socio-economic status. Economic "self reliance" through past savings or present part-time work cannot be expected, nor does the "family" provide an income security "safety net", so the pension must be sufficient rather than supplementary in its amount. The study suggests a range of social policy targets, proposes a common retirement age of 65 years for both sexes, and floats a proposal for a "survival bonus", so as to reach those pensioners in greatest need.'

#### ADEQUACY, PENSIONS

- 473 Wiles, D. (1993), "'I just accept it!' Research reminiscences on aged income security', *Australian Journal on Ageing*, 12(3), August, 32-5.

'From its inception in 1909 the Australian Age Pension became well established as a social "right" of citizenship over the following eight decades. Since 1988 and the Social Security Review, though, retirement incomes policy has become subject to political debate and policy turbulence. Ideally, abstract and applied policy should draw upon the lessons of history. So the perceptions of pensioner beneficiaries about the effects of pension provision on life chances are pertinent to present discussion. Such social policy story-telling suggests that for working class seniors of the present cohort, memories of the Great Depression ameliorate any sense of present hardship, creating appreciation and acceptance of extant pension provisions. In view of the contemporary exhortations that individuals should now take full financial responsibility for their own retirement income security, the lesson that ordinary working folk cannot save an adequate retirement nest egg seems salient. Furthermore, politicians' past behaviour of "super swindle" seems likely to be repeated. The baby boom generation, having funded aged care in its day, can itself only anticipate a bleak future in terms of the retreat of the State from the provision of aged income support.'

#### ADEQUACY, ATTITUDES, PENSIONS, POLICY

- 474 Wilson, Pamela (1987), *Converting Home Equity to Retirement Income* (2nd edition, 1988) Discussion Paper, Australian Council on the Ageing, Melbourne, 24pp.

'Older people prefer to remain in their family home as long as possible. This goal, if achievable, benefits older people and the community as it costs the government less to maintain an older person in their own home than it does in other forms of accommodation. Unfortunately, in order to remain at home, many older people suffer financial burdens which can operate to deny them the smallest of luxuries and even some of the necessities of life. At the same time their greatest asset - their home - remains unrealised because financial mechanisms which advance capital against a property and allow a person to occupy it at the same time (free of sale or foreclosure) have not been available. However, there are now moves in the private sector to introduce schemes which claim to offer the possibility of at least partial resolution of this financial dilemma for older people. This comes in the form of a new financial device - the home equity conversion plan.

This paper is a response to current moves to introduce home equity conversion plans into the Australian marketplace. It seeks to inform those directly affected by such moves (older homeowners and the public and voluntary sector) of the nature and potential of home equity conversion plans offered in Australia and overseas and the difficulties posed by their implementation. Several proposals are made in terms of facilitating the introduction of home equity conversion facilities into the market place in the least problematical way possible for both consumers and providers.'

#### ADEQUACY, HOUSING

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- 475 Winocur, S. and L.S. Rosenman (1990), 'Women and superannuation', *A.I.I. Journal*, 13(1), March, 5-10.

The article reports on a recent national survey of over 1000 Australian women aged across the adult life span which investigated the extent to which women plan for their financial futures. Superannuation coverage is examined. The author's argue that women who leave the workforce to have children 'should be encouraged to preserve superannuation benefits rather than cashing out their entitlements, and then have to start again if they re-enter the workforce'. Further reforms are recommended, in relation to portability, vesting, a spouses right to a partner's superannuation at retirement; entitlements to superannuation benefits following divorce; annuities and survivorship; and public education about superannuation.

For further discussion of the research see Rosenman and Winocur, 1989.

#### ANNUITIES, COVERAGE, DIVORCE, SUPERANNUATION, WOMEN

- 476 Winocur, Sharon and Linda Rosenman (1992), 'Superannuation: some implications for women', *Current Affairs Bulletin*, 69(2), July, 28-9.

Labor's proposed Superannuation Guarantee Levy has received much attention. It 'represents the government's determination to move the weight of retirement income protection towards superannuation and away from pensions'. This article argues that people who have an interrupted and lowly-paid working life will not be advantaged by this greater emphasis on superannuation. The majority of people with that working pattern are women, for whom economic dependence is a result of the family care responsibilities they assume during prime working periods. 'Putting all of the policy effort and encouragement into superannuation, a system whereby retirement income is linked to employment and contributions made during working life will mean that future generations of older women in Australia are likely to be economically disadvantaged in old age. The interaction of the age pension with superannuation and other forms of retirement savings is a major issues for government to consider.'

#### COVERAGE, POLICY, SGC, WOMEN

- 477 Winocur, Sharon, Linda Rosenman and Jeni Warburton (1994), *Retirement Decisions of Women from a Non-English-Speaking Background*, Bureau of Immigration and Population Research, Canberra, 78pp.

This study examines factors affecting the retirement decisions of non-English speaking (NESB) women in Australia. It aims to identify the plans and expectations of women for their life in retirement. The study is part of a larger study of Australian women, and the NESB women are compared with the English speaking women (ESB) in the sample. 'The availability of retirement income reveals differences between the two groups and this is also a reflection of work and income.'

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The Age Pension is almost three times more important to those from a NESB, while superannuation availability is similarly mentioned three times as frequently by women from an ESB.'

#### IMMIGRANTS, WOMEN

- 478 Women's Policy Unit, Office of the Cabinet, Queensland (1993), *A Discussion Paper on Superannuation for Women*, Office of the Cabinet, Brisbane, 47pp.

The majority of women do not conform to a pattern than can be easily accommodated within the structure of superannuation schemes. 'Many women, including those who are not in the paid workforce, derive their superannuation cover through their spouse, a factor which emerges as a major issue during divorce and widowhood. Those women who participate in the paid workforce do so intermittently and are unlikely to build up the length of service and amount of contribution to enable independent coverage. Women could, at best, expect their superannuation benefits to be a supplement to a retirement income such as the aged pension.'

The introduction of award based superannuation and the Superannuation Guarantee Charge means that most women in the paid workforce now participate in a scheme. However, as they are currently structured these schemes do not reflect the needs of women members for a variety of reasons which affect their superannuation accumulations. A forum and a workshop were held during 1992 by the Women's Policy Unit in Queensland. This paper presents the outcomes of the discussions. It considers: retirement income options for women; types of superannuation schemes; women's work patterns; the proportion of retirees solely supported by superannuation; the percentage of aged pensioners who are women; the proportion of women who are ineligible for superannuation; lost contributions; information for women about superannuation operations; early access to funds; discrimination; access to cover; representation of women in the superannuation industry; investment decisions made by the funds; the mix of retirement income sources for women; the inadequacy of present provisions; 'and the fact that in 1992 in excess of 300,000 female pensioners fell into the category "below the poverty line"'. The paper examines the operation of the superannuation industry and raises a range of issues for discussion by: the Commonwealth Government, the Senate Select Committee, the Association of Superannuation Funds of Australia, individual superannuation funds, employers, unions and the Queensland State Government.

#### ADEQUACY, COVERAGE, SUPERANNUATION, SGC, WOMEN

- 479 Woodland, A.D. (1987), 'Determinants of the labour force status of the aged', *Economic Record*, 63(181), June, 97-114.

'The determinants of the labour force status of the aged are investigated using surveys of individuals undertaken in Sydney, Adelaide and Melbourne during 1981.

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The explanatory variables used in the probability models of the labour force status comprise both socio-demographic and economic variables. The economic variables include wealth proxies, pension eligibility, and the wage rate. The economic variables were shown to be very important determinants of the labour force status of the aged. This is particularly true of the variable relating to eligibility for the age pension.'

#### ELIGIBILITY, PENSIONS

- 480 Youens, Daniela (1991), 'ATO advice: taxation of eligible termination payments', *Taxation in Australia*, 26(4), October, 196-201.

The purpose of the article is to assist an understanding of the tax treatment of each kind of eligible termination payment.

#### LUMP SUMS, TAXATION

- 481 Young, Christabel M. (1990) *How Serious is the Ageing Problem and What Can Be Done About It?* Working Papers in Demography No.18, Research School of Social Sciences, Australian National University, Canberra, 27pp.

'Because of the presence of its extended post-war baby-boom cohort, the ageing of Australia's population will occur in a demographic context rather different from the experience of the countries of Europe. Over the next 30 years in Australia the proportion of persons aged 65 years or more is increasing, but so also is the proportion of persons at working ages. In addition, the assessment of the ageing "problem" is more complex than merely following the trend in the proportion aged 65 years or more; the composition of the elderly and the nature of social security policy are also important. Similarly, adequate support of the elderly depends as much on the quality and efficient use of the working age population as on the number at the working ages. Despite the claims by some commentators that immigration can significantly slow down the ageing of the population, the analysis shows this to be an exaggeration. In fact, maintaining near-replacement level fertility is more effective than maintaining a high level of immigration. It is likely that concern about how Australia is going to support an older population will be overtaken by concern about how Australia is going to cope with its rapidly growing population.'

#### DEMOGRAPHY

- 482 Zagorski, Krzysztof and Sarah Came (1995), *Australian Public Opinion on Superannuation 1994*, IAESR Working Paper 1/95, Institute of Applied Economic and Social Research, University of Melbourne, 32pp.

'This is a report of a research project to investigate public opinion about various aspects of superannuation and other schemes of retirement income provision.' It begins by describing the current system of retirement income provision. The results of the survey are then presented, indicating general support for government provided pensions for everybody above the retirement age, 'irrespective of their former work, earnings, contributions, other incomes and accumulated assets'. This is wanted 'to complement rather than to substitute the existing contributory superannuation scheme'. Other results relate to whether a contributory scheme should be compulsory; the role of the government in managing the superannuation scheme; the criteria of benefit differentiation and ceilings on benefits; government subsidies versus employer and employee contributions and the composition of these contributions. Results are presented by the occupations of the respondents, their political party preferences, educational status, gender and age.

ATTITUDES, SUPERANNUATION

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## Keyword Definitions and Index

**ADEQUACY:** works which are concerned with the adequacy of retirement incomes, especially pension levels and the living standards of retired people.

20, 25, 31, 33, 34, 37, 38, 39, 57, 60, 64, 66, 68, 69, 70, 73, 74, 81, 128, 131, 156, 161, 190, 199, 204, 211, 215, 219, 230, 232, 235, 239, 240, 261, 262, 296, 315, 317, 320, 324, 330, 343, 344, 350, 373, 395, 398, 401, 403, 404, 405, 415, 416, 417, 420, 421, 432, 433, 454, 469, 472, 473, 474, 478

**ANNUITIES:** works dealing with the purchase of annuities and their use as a form of retirement income. 'Allocated pensions' are also included here.

10, 47, 50, 53, 81, 98, 114, 138, 161, 196, 203, 228, 282, 341, 385, 404, 434, 435, 455, 456, 457, 475

**ATTITUDES:** works which discuss attitudes to methods of provision of retirement income.

20, 21, 61, 67, 136, 212, 240, 256, 282, 314, 316, 319, 321, 364, 365, 374, 381, 412, 416, 436, 452, 473, 482

**COMPARISONS:** works which compare Australian provision of income for older people with that in other countries.

52, 63, 115, 135, 139, 161, 199, 204, 205, 216, 232, 243, 244, 253, 254, 269, 310, 351, 353, 354, 356, 361, 410, 412, 416, 450, 451, 462, 469

**COVERAGE:** works discussing the superannuation coverage of the population. For pension coverage, see Eligibility.

1, 3, 15, 16, 17, 18, 19, 24, 26, 30, 36, 50, 52, 66, 84, 92, 97, 98, 103, 111, 119, 130, 131, 135, 143, 167, 198, 199, 205, 214, 223, 230, 243, 262, 270, 274, 276, 279, 296, 306, 308, 337, 339, 347, 366, 369, 404, 405, 406, 420, 431, 475, 476, 478

**DEEMING:** descriptions of the process of assessing interest on money in non-interest bearing accounts for the purpose of assessing eligibility for pension; discussion of the policy and its effects.

42, 44, 46, 67, 81

**DEMOGRAPHY:** works which discuss or describe the population in relation to retirement income in respect of the increasing proportion of older people, retirement intentions, levels of income or other factors using data from a variety of sources.

8, 17, 41, 57, 64, 67, 75, 97, 98, 103, 117, 136, 143, 154, 166, 195, 199, 216, 219, 233, 236, 238, 253, 260, 262, 288, 310, 333, 334, 340, 342, 353, 380, 400, 401, 406, 408, 409, 416, 481

**DIVORCE:** works discussing the treatment of superannuation in divorce settlements.

9, 13, 30, 36, 112, 163, 173, 187, 217, 218, 226, 231, 245, 264, 284, 292, 312, 313, 323, 327, 328, 336, 347, 369, 418, 439, 440, 441, 442, 457, 475

**DOUBLE DIPPING:** discussions of the practice of taking, on retirement, superannuation lump sums which have been tax-favoured during working life, and then spending them in order to reduce assets and/or income and become eligible for the age pension.

2, 42, 48, 53, 65, 75, 80, 145, 213, 255, 256, 257, 269, 272, 273, 282, 286, 420, 427

**ELIGIBILITY:** works discussing eligibility for age pension in terms of age, residential or other requirements (see also means test). For eligibility for superannuation, see Coverage.

20, 25, 36, 44, 66, 84, 88, 102, 105, 118, 131, 137, 143, 154, 156, 199, 233, 236, 267, 298, 308, 324, 369, 384, 386, 432, 450, 479

**FRINGE BENEFITS:** works dealing with fringe benefits, such as health benefit cards, available to older people; restrictions on their availability; their value; their cost to government; or other aspects of policy relative to their provision.

35, 38, 40, 150, 293, 371, 384, 386, 415, 420, 433

**FUNDS:** works dealing with regulations regarding superannuation funds, their operation or their governance. (This section is not comprehensive; see Introduction for further comments).

9, 15, 16, 36, 53, 54, 55, 77, 97, 100, 103, 121, 125, 126, 153, 159, 168, 170, 175, 180, 182, 185, 186, 191, 200, 213, 225, 259, 279, 282, 330, 360, 387, 389, 393, 434, 438, 445, 456, 459

**HOUSING:** works dealing with home ownership and other forms of housing tenure as they affect retirement income and living standards.

4, 25, 46, 48, 57, 73, 75, 199, 211, 222, 241, 261, 263, 304, 315, 335, 341, 420, 454, 469, 474

**IMMIGRANTS:** works dealing with the retirement incomes of immigrants to Australia.

31, 36, 75, 117, 190, 215, 268, 324, 339, 379, 477

**INVESTMENT:** works discussing private investment of any kind as a means of providing retirement income. (For discussions of investment by superannuation funds, see under Funds but note that this is by no means comprehensive.)

3, 9, 32, 50, 110, 121, 138, 150, 151, 153, 203, 211, 228, 230, 252, 259, 316, 334, 348, 362, 384, 385, 386, 447, 452, 463, 470

**LUMP SUMS:** works dealing with lump sum payments on retirement, in particular with their treatment in the taxation system.

24, 26, 42, 47, 56, 65, 98, 101, 109, 119, 148, 165, 172, 178, 179, 184, 185, 255, 256, 257, 258, 270, 271, 272, 273, 275, 277, 280, 282, 284, 286, 287, 289, 296, 316, 319, 341, 344, 379, 387, 389, 420, 429, 437, 447, 455, 456, 480

**MEANS TEST:** works discussing income and/or assets testing as a way of determining eligibility for pensions.

2, 5, 6, 22, 25, 29, 37, 42, 44, 45, 46, 61, 67, 69, 74, 75, 80, 81, 102, 110, 114, 115, 116, 140, 150, 199, 252, 263, 267, 277, 283, 291, 296, 298, 299, 300, 303, 315, 317, 319, 350, 363, 373, 384, 386, 409, 410, 411, 416, 417, 420, 421, 426, 429, 454, 463, 471

**MEASUREMENT:** works describing measurement procedures used to determine the effects of policy changes on retirement incomes, particularly modelling techniques.

10, 11, 12, 41, 53, 59, 76, 77, 78, 116, 117, 139, 160, 206, 207, 208, 228, 235, 275, 277, 282, 301, 326, 410, 411

**NATIONAL SUPERANNUATION:** works which suggest or discuss the introduction of a national superannuation scheme.

14, 90, 99, 133, 143, 157, 197, 198, 199, 221, 223, 229, 258, 294, 295, 301, 332, 333, 334, 342, 343, 344, 359, 373, 396, 400, 420, 421, 449

**PENSIONS:** works dealing with any aspect of public age pensions as part of the provision of retirement income.

1, 2, 4, 9, 19, 20, 22, 25, 28, 33, 34, 36, 37, 38, 39, 42, 44, 50, 57, 61, 62, 65, 66, 67, 68, 69, 74, 75, 81, 88, 92, 98, 108, 114, 115, 116, 118, 119, 127, 128, 131, 134, 140, 143, 150, 151, 152, 154, 155, 156, 157, 160, 166, 167, 186, 197, 199, 204, 205, 208, 211, 213, 215, 220, 223, 232, 233, 236, 238, 240, 241, 288, 252, 254, 255, 256, 260, 261, 263, 267, 268, 272, 273, 277, 280, 281, 283, 291, 296, 299, 300, 301, 303, 304, 308, 310, 317, 318, 319, 320, 331, 333, 334, 335, 343, 344, 350, 351, 353, 354, 356, 358, 361, 368, 369, 371, 373, 375, 376, 377, 380, 381, 384, 385, 386, 387, 394, 395, 398, 400, 401, 402, 403, 404, 409, 410, 411, 412, 413, 414, 415, 416, 417, 419, 420, 426, 429, 432, 450, 451, 453, 454, 471, 472, 473, 479

**POLICY:** discussions or descriptions of current government policy as it affects the provision of retirement income; also works which suggest alternative policies or specific policy changes; and works which relate the history of policy development.

1, 3, 4, 5, 6, 9, 10, 14, 20, 25, 37, 43, 45, 47, 48, 49, 50, 51, 52, 53, 59, 62, 63, 64, 66, 68, 69, 74, 75, 76, 81, 83, 84, 85, 86, 90, 92, 93, 94, 99, 101, 104, 105, 107, 108, 109, 113, 114, 116, 117, 120, 121, 122, 127, 129, 131, 132, 133, 134,

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**SAVINGS:** works dealing with savings as part of retirement income; also works dealing with policies to encourage savings; some works which deal with national savings and their relationship with either superannuation or the ability of government to fund elements of retirement income. (This section is by no means comprehensive.)

4, 5, 6, 51, 53, 57, 87, 107, 111, 114, 121, 138, 149, 151, 165, 166, 168, 189, 192, 193, 200, 203, 208, 211, 212, 220, 222, 232, 241, 302, 303, 304, 309, 330, 333, 334, 368, 374, 375, 390, 407, 416, 435, 468

**SELF-EMPLOYED:** works which deal with the provision of retirement incomes of self-employed people, either in general or in specified (occupational) groups.

30, 55, 58, 165, 177, 178, 179, 181, 194, 201, 202, 330, 338, 368, 430

**SUPERANNUATION:** works dealing with occupational superannuation or other forms of private superannuation or pension schemes; works which describe or discuss technical aspects of superannuation such as vesting, portability, preservation and reasonable benefit.

1, 2, 3, 9, 13, 14, 16, 17, 18, 19, 20, 21, 23, 24, 25, 26, 28, 30, 32, 36, 42, 50, 58, 60, 62, 65, 66, 67, 68, 69, 70, 71, 72, 79, 82, 83, 84, 85, 86, 89, 91, 92, 94, 95, 97, 99, 100, 103, 104, 106, 107, 108, 109, 111, 112, 113, 117, 119, 120, 121, 122, 123, 124, 127, 129, 130, 131, 132, 133, 139, 140, 142, 143, 144, 145, 146, 147, 148, 149, 151, 153, 157, 161, 162, 163, 164, 165, 166, 167, 169, 171, 173, 176, 177, 178, 179, 180, 181, 183, 185, 186, 187, 188, 189, 192, 193, 194, 197, 198, 199, 201, 202, 203, 205, 206, 208, 209, 210, 211, 212, 213, 214, 217, 218, 220, 221, 223, 224, 225, 226, 227, 230, 231, 234, 237, 240, 241, 242, 243, 245, 247, 248, 249, 251, 255, 256, 258, 259, 262, 264, 265, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 284, 285, 286, 287, 288, 290, 292, 296, 297, 305, 306, 307, 308, 309, 310, 311, 312, 313, 317, 318, 322, 323, 325, 326, 327, 328, 329, 330, 333, 334, 335, 336, 337, 338, 339, 341, 342, 343, 344, 345, 346, 347, 349, 350, 355, 357, 360, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 382, 383, 385, 387, 388, 389, 391, 392, 393, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 412, 413, 415, 418, 420, 422, 423, 424, 425, 427, 428, 430, 431, 432, 435, 439, 440, 441, 442, 443, 444, 448, 449, 456, 457, 458, 460, 461, 463, 464, 465, 466, 467, 468, 475, 478, 482

**SUPERANNUATION GUARANTEE (SGC):** works which discuss or describe the Superannuation Guarantee levy or charge (SGC) introduced by the Government as a form of compulsory superannuation.

2, 9, 27, 28, 30, 48, 49, 50, 51, 52, 69, 75, 87, 94, 96, 97, 98, 112, 113, 120, 127, 166, 192, 206, 208, 235, 269, 282, 283, 347, 352, 391, 397, 399, 405, 412, 415, 419, 434, 438, 446, 453, 458, 476, 478

**TAXATION:** works which deal with taxation of superannuation funds, superannuation contributions, superannuation benefits including benefits in the form of lump sums; works dealing with taxation policy as it affects the provision of retirement income.

1, 2, 3, 4, 5, 6, 7, 8, 9, 12, 23, 24, 25, 26, 32, 46, 47, 50, 51, 55, 56, 58, 68, 71, 76, 80, 83, 87, 89, 90, 95, 96, 97, 98, 103, 107, 108, 109, 111, 114, 116, 123, 124, 138, 139, 140, 142, 143, 144, 145, 152, 153, 154, 157, 162, 164, 165, 167, 169, 170, 172, 177, 178, 181, 182, 184, 185, 188, 199, 202, 203, 205, 206, 208, 209, 212, 213, 214, 223, 224, 227, 237, 240, 241, 247, 248, 251, 257, 258, 259, 261, 265, 271, 273, 274, 275, 276, 277, 278, 279, 280, 282, 283, 285, 286, 287, 289, 290, 296, 297, 299, 300, 301, 303, 305, 307, 311, 319, 326, 330, 333, 334, 338, 343, 344, 345, 346, 349, 355, 359, 363, 367, 371, 373, 376, 377, 385, 386, 387, 389, 391, 393, 397, 398, 400, 401, 407, 412, 417, 420, 427, 431, 434, 435, 437, 443, 448, 455, 456, 460, 463, 465, 467, 480

**UNIONS:** works written from the point of view of trade unionists, or which describe union attitudes to superannuation or union superannuation schemes.

72, 133, 176, 221, 223, 237, 333, 372, 406, 438, 449, 458, 464, 465, 466

**WOMEN:** works dealing with the retirement incomes of women or the lifetime factors which affect the provision of their superannuation.

7, 8, 9, 18, 20, 26, 27, 28, 30, 33, 36, 43, 48, 49, 57, 64, 68, 77, 82, 97, 98, 104, 111, 112, 113, 128, 130, 167, 176, 179, 198, 210, 222, 230, 234, 241, 242, 243, 244, 254, 267, 269, 281, 290, 294, 306, 307, 326, 329, 333, 336, 337, 339, 341, 342, 347, 352, 357, 358, 364, 367, 369, 379, 395, 396, 397, 399, 401, 402, 403, 404, 405, 407, 424, 425, 431, 454, 457, 466, 475, 476, 477, 478