

Dear Treasurer,

I am a [removed for privacy reasons] year old retiree who is learning to cope with a Self Managed Super Fund that last year took a 21% hit to asset valuation. The implications of this on my planned retirement income are significant, as you would be well aware. The current financial year (2008/2009) looks as though it will also return negative growth. Both my wife and myself converted our previous superannuation funds into a SMSF only 2 to 3 years ago. Like some 800 000 other Australians we did this because we strongly believe in making provision for our own retirement income without relying on the aged pension, and it was an attractive and responsible action to take.

In recent months media reports have increasingly raised the spectre of potential changes to dividend imputation, transition to retirement pensions and the superannuation contribution surcharge. These matters have been raised in the context of the "Australia's Future Tax System Review" being chaired by Treasury Secretary, Dr Ken Henry.

We are not wealthy people. We have worked hard and saved whenever possible, while raising and educating [removed for privacy reasons] children in [removed for privacy reasons] Australia. It has only been [removed for privacy reasons] years since our last child finished tertiary education (not a cheap outlay for those of us who have to fund capital city accomodation and university education for them), and we have both salary sacrificed as much as we could to build a super fund in that time. Much of what we saved has now been lost due to the GFC and we accept that we now need to rebuild the fund by seeking part-time work and/or reducing our pensions and/or other means. While my wife still works (currently on reduced hours), this is unlikely to continue for long due to overwork injuries. I have recently started part time work, albeit that I am yet to receive any contract payments.

I urge you not to meddle with superannuation whereby those of us who have taken responsibility to support ourselves in old age through legitimate retirement saving strategies, are now penalised for doing so. How many 'hits' do you think we can take?

Yours sincerely,

Rob Patrick