

Multiple Pension arrangements

Background

Currently a person may draw a Pension and then subsequently contribute to an Accumulation fund, if for instance they go back to work.

Subsequently they may convert that Accumulation fund to a Pension fund, to draw down a higher Pension. This process could in fact happen many times over.

As a consequence, there may be multiple individual Pensions being paid and added complexity for Superannuation Administration.

Recommendation

To simplify Superannuation administration it would be better if any conversion of Accumulation funds to the Pension phase, could be added to the One Pension account, with a break-up of Concessional and Non-Concessional components added to the original Pension fund components.

Regards

Les Bryce