

## THE AUSTRALIAN

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### Superannuation change means that savers can no longer trust governments

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Assistant Treasurer Kelly O'Dwyer doesn't seem to understand why the increased tax on superannuation will destroy trust in saving to fund one's retirement ("Dispelling myths perpetuated by base politicking", 10/5).

Past increases in superannuation taxation used to be grandfathered, so as not to disadvantage those who had responded in good faith to previous incentives to save for their retirement income. Grandfathering reflected the commitments that governments encouraged or compelled workers to undertake when locking their savings away for 40 or 50 years. The downside to grandfathering was accumulating legal complexity.

Peter Costello's simplifying reforms considered dozens of public submissions before implementation in July 2007. There were no adverse effects on previous savings decisions, and generations of grandfathering complexity were swept away.

In contrast, the Turnbull-Morrison budget has told those near retirement or already retired: "Bad luck: we've just cut the retirement living standards that you saved for. Now get lost." Those already retired have no way back from this attack on their financial prudence, except through the ballot box.

The broader message is, no matter how long a saver has responded to carefully formulated law to save for retirement, he or she can never again trust a government not to change the rules to disadvantage retirement living standards after they have retired.

*Terrence O'Brien, Mawson, ACT*

#### **Submarine facts**

Robert Gottliebsen has made a number of incorrect assertions about the future submarine program that have been published on your website ("Coalition and Labor's broken promises have shattered voter trust", 9/5).

The submarine program is the most complex defence procurement ever undertaken in this country. The commercial discussions will require the Defence Department to negotiate a number of contractual arrangements to ensure we get the right capability while maximising Australian industry involvement.

Once we conclude negotiations with DCNS and select a combat system integrator, work to design the new submarine and combat system will begin in Adelaide this year, not sometime after 2019.

Design will take at least five years with construction to begin in the early 2020s. Construction of the infrastructure required will begin early in the design process, further driving jobs and investment in Adelaide.

Gottlieb's article also compares apples with oranges by comparing the \$50 billion program cost with the purported cost of the TKMS bid. The total program cost includes the cost of design and construction of the submarines themselves as well as the design and integration of the combat system, the investment in science and technology that will be required, and the design and construction of land-based facilities to support the project. Most disappointingly, Gottlieb repeats the incorrect claim that the government selected DCNS of France as the preferred partner to enable nuclear propulsion for the future submarine, despite being advised that this is not the case after he incorrectly reported the same thing last week.

*Marise Payne, Minister for Defence, Canberra, ACT*

## **GPs are not clerks**

Stop using GPs as clerks would be a simple way to cut Medicare costs. Many of us are on medication of some sort for the rest of our lives, but twice a year we have to front up for a prescription. Why not give us a card instead? It could be monitored to see that it is not misused. And don't say the GP must check you over; in most cases that does not happen.

The other great waste is the sick note. In many cases doctors can only take the patient's word for an upset stomach. I have read that flu was responsible for 300,000 GP visits last year, despite the advice that a doctor can do nothing. But 300,000 had to front up for a sick note, wasting time at a cost to Medicare. It should not be a GP's job to sort out this paperwork. It should certainly not be Medicare's role to pay for it.

*John Anderson, Hillman, WA*

### **Reef contradiction**

Why is the Great Barrier Reef showing signs of bleaching at the southern end but not at the northern tip? We are told that it's due to global warming, but the waters at the northern tip are warmer than those at the southern end. Therefore we should expect this bleaching to start in the north.

I assume that damage to the reef is mainly due to polluted run-off from the land. Are we therefore seeing those who oppose the federal government's action on climate change causing mischief by purposely confusing the facts? I am something of a believer that climate change exists so I'd like to see a proper explanation.

*Dave Bishop, Plympton, SA*