



Peter Bodkin <pbodkin@aap.com.au>

New submission on HubSpot Form "AAP Factcheck Contact Us Form"

Peter Bodkin <pbodkin@aap.com.au>
To: William Summers <williams Summers@hotmail.com>
Bcc: Standards <standards@aap.com.au>

17 February 2021 at 11:38

Hi William,

Finance were a bit slow with their response, but we were able to confirm that the figures you provided were correct so we updated both fact checks yesterday.

Thanks again for bringing the issue to our attention.

Regards,

Peter Bodkin | FactCheck Editor



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On Fri, 12 Feb 2021 at 18:22, Peter Bodkin <pbodkin@aap.com.au> wrote:

Thanks for that information William - happy to be corrected when we're wrong. As you say, errors have a tendency to get picked up and repeated.

I'm expecting a response from Finance on Monday. I'll keep you posted on their response and our update.

Regards,

Peter Bodkin | FactCheck Editor



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On Fri, 12 Feb 2021 at 16:56, William Summers <williams Summers@hotmail.com> wrote:

Unfortunately there is another factor in the calculations: only around 80% of the salary is deemed "salary" for the purposes of the pension (for no apparent good reason).

See "Increases to Retiring Allowance" in the info you link to:

"With the *Remuneration and Other Legislation Amendment Act 2011* the Remuneration Tribunal was given the power to determine a portion of base salary (annual allowance) which was not salary for superannuation purposes for parliamentarians covered by the *Parliamentary Contributory Superannuation Act 1948*."

Also s4 of the principle Act: **parliamentary allowance** means: ... (d) parliamentary base salary (within the meaning of the *Remuneration Tribunal Act 1973*), less any portion determined under subsection 7(1A) of that Act.

and the Remuneration Tribunal determination section 2.2, which has the applicable numbers: <https://www.remtribunal.gov.au/file/3963/download?token=jhY2ksv->

It's ridiculously complicated stuff, which is why I have spent so much time working it all out. If you take ~20% off your figure you get to mine (that's not how I calculated mine but it's a roundabout way of getting there). But yes sensible checking with parliamentary authorities. I would be interested to see what they say. I don't know if you've already looked at my previous blog explainer on pensions but if not then you can read it here: <https://williamssummers.blog/2019/03/15/the-truth-about-parliamentary-pensions/> (links through to spreadsheet with the calculations, though it probably isn't very clear to see where I pull the numbers from).

John Howard is the only one who gets to the maximum number by my calculations, due to his time as PM and other senior roles.

Sorry to bore you with all this very niche stuff. I don't correct everything I see on pensions but the \$450,000 figure is one that is likely to get traction on social media etc if people start sharing it.

Cheers
William.

From: Peter Bodkin <pbodkin@aap.com.au>
Sent: Friday, 12 February 2021 4:22 PM
To: williamssummers@hotmail.com <williamssummers@hotmail.com>
Subject: Re: New submission on HubSpot Form "AAP Factcheck Contact Us Form"

Hi again William,

I believe you're right about the \$450,000 figures being incorrect but I'm seeking clarification from the Department of Finance before we update the articles with the correct information.

My interpretation of the [rules](#) is that the maximum benefit payable, in theory, under the current rules would be just over \$410,000. That is 75% of the parliamentary allowance at the time of retirement (see "retiring allowance" section) - currently \$211,250 - and 75% of the additional salary available as a prime minister (see "maximum additional pension entitlement" section). Based on the prime minister's salary now of \$549,250, that would give a theoretical total of \$411,936.

However that's based on a lot of unlikely assumptions - a parliamentarian would need to have been elected before 2004, become prime minister and have served long enough in various ministries/other senior roles to qualify for 75% of their prime ministerial salary on retirement.

Regards,

Peter Bodkin | FactCheck Editor



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On Wed, 10 Feb 2021 at 18:28, Peter Bodkin <pbodkin@aap.com.au> wrote:

Hi William,

Thanks for contacting AAP FactCheck.

We'll need to look into the issue you raised. I'll get back to you once we've reviewed the article and worked out if any changes need to be made.

Regards,

Peter Bodkin | FactCheck Editor



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New submission on HubSpot Form "AAP Factcheck Contact Us Form"

Page submitted on: **Contact Us - Australian Associated Press**

Nature of inquiry:

Request a correction

First name:

William

Last name:

Summers

Email:

williams Summers@hotmail.com

Phone:

0434275792

Your Message:

Hi Factcheckers! Sorry to be a bore but I think your December factcheck on parliamentary pensions contain an error, or at least a misleading fact. This one from December says the PM can potentially receive a parliamentary pension of \$450 k. <https://www.aap.com.au/do-australias-politicians-enjoy-lavish-pension-perks/> That references a 2019 factcheck with a similar claim, which is also a bit misleading. (<https://factcheck.aap.com.au/social-media-claims/politicians-salaries-vary-and-are-not-for-life>

) This is not accurate. The maximum an ex-MP can currently receive in pension is \$328k. The reason is because the base salary portion is capped at 18 years (max \$125,363 worth of pension) and the ministerial portion is also capped, to 7

5% of the highest pensionable salary earned (max \$202,800). So the very maximum for anyone is \$328,163. I've done the numbers and can talk you through if you wish! The base salary for a backbencher will need to rise from the current \$211k to more than \$280k before anyone is even theoretically eligible to get a pension of \$450k, highly unlikely this decade. If John Howard lives until he is 100 he may well get to \$450k around the mid-2030s. Cheers!

View in HubSpot



CONTACT

William Summers

Found site via:

<https://www.aap.com.au/category/factcheck/>

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