



Queensland Treasury

Our Ref: 05057-2015

17 DEC 2015

Mr Wayne Cannon  
State Actuary  
Level 8, 100 George Street  
BRISBANE QLD 4001

Dear Mr Cannon

Thank you for providing Treasury with a copy of the Interim Actuarial Investigation of the State Public Sector Superannuation (DB) Scheme as at 30 June 2015.

I note your findings that the DB Scheme has a past service surplus of \$11.2 billion on a funding basis and \$3.8 billion on an accounting basis.

The Government remains committed to the fiscal principle of full funding of the Scheme in accordance with your advice.

Based on my knowledge of other State and Commonwealth Schemes, Queensland's DB scheme is in the strongest funding position of any Government defined benefit scheme in the country.

I further note that the size of the past service surplus reduces over time based on the ageing profile of the DB scheme cohort. This was of course always expected in a closed defined benefit scheme funded at a constant rate.

The DB Scheme remains incredibly well placed regardless. In any event, and as you are acutely aware, DB scheme beneficiary payments are ultimately guaranteed by the State of Queensland and contribution rates can always be adjusted if required.

Again, thank you for the report. The document will now be released through publication on Treasury's website. Consistent with past practice, you should also provide a copy directly to QSuper.

Yours sincerely

Jim Murphy  
Under Treasurer

17/12/15

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