

Monday 26 April 2021

Your Future Your Super bill still fatally flawed despite attempt to rectify

The ACTU welcomes Minister Hume's admission that the Government's originally proposed performance benchmark, which did not include administration fees, is inadequate. Despite this, the *Your Future, Your Super* Bill remains fatally flawed.

If the *Your Future, Your Super* is passed the Government would staple still workers to dud funds and to funds which have not been subjected to performance benchmarks from the 1st of July 2021, condemning more than 1 million workers to a poorer retirement.

While default products will be benchmarked in July, the scrutiny of largely bank-owned for-profit Choice products is baselessly delayed until 2022. Further, some Choice products like those that were excoriated by the Banking Royal Commission for losing money on large balances are excluded.

The legislation also continues to permit the Minister to cancel investment from super funds at a whim, even if investments are in members' best interest. This puts at risk investment in job creation during the economic recovery as well as working people's retirement savings.

The legislation further contains provisions which would lump trustee directors into the same camp as terrorists, with a reverse onus of proof test that would, in effect, not apply to for-profit funds.

The ACTU urges the crossbench to reject the Bill in its entirety.

Quotes attributable to ACTU Assistant Secretary Scott Connolly:

"Unions call on the crossbench to reject the Your Super, Your Future bill in its entirety to protect workers' retirement.

i

"With a reverse onus of proof test, the legislation contains provisions that will lump trustee directors into the same camp as terrorists.

"Any changes to superannuation legislation should apply to all products and funds; instead, the coalition has staged an ideological attack on industry funds and is running protection for the Banks.

"Your Future, Your Super seeks to staple workers to dud funds for life, which will allow predatory bank run super to leech workers' retirement savings to line their pockets."

Media contact: Isabella Tilley 0414 894 040