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Government's political games will hurt mum & dad retirement savings

The Abbott Government's proposed changes to Australia's world leading not for profit superannuation system are nothing more than an ideologically driven attack on workers.

Not-for-profit industry super funds have lower fees and have outperformed the for-profit retail funds owned by the big banks over any time period comparison.

As *Industry Super Australia* has pointed out it is astounding that anyone would seek to interfere with a governance model that has driven two decades of strong returns for members nearly 2% higher than the 'for profit funds', on average.

There is no evidence to show equal representative governance is failing members and that reform is therefore required. In fact, there is independent academic research that shows independent directors on the boards of some large listed Australian companies have destroyed up to \$10 billion in shareholder value because of their poor decision making.

Yet despite these indisputable facts, Mr Abbott and Mr Frydenberg have singled out industry super funds just because workers are represented on their boards.

It is clear that the Government's view of 'independent' is more business people on superannuation boards with the aim of reducing the number of union representatives.

The fact the Abbott Government is pursuing reforms for which there is no demonstrated benefit and is ignoring the need to address the scandals that have engulfed the major banks is telling.

These are the same big banks who revealed that under their watch hundreds of millions of dollars were lost from the retirement savings of thousands of Australians through dodgy financial advice.

Australian Unions, without question, have been the strongest force as developers and proponents of Australia's world-class superannuation system with a 30-year track record unrivalled in diligence and corporate supervision and in the delivery of returns to Australia's workers.

Australian Unions call on the ALP, the minor parties and the Independents to stand up for working people and reject these irresponsible, ideologically driven reforms.

Quotes attributable to ACTU President, Ged Kearney:

"It's simply ideology. This Government can't bear it that the trade union movement, along with employer associations, has overseen an amazing success story in superannuation."

"Industry super funds have lower fees and consistently delivered better returns over any time period for millions of Australians."

"This is a political attack on unions and on the idea that working people should have a voice in how their savings are managed and invested."

"If the Government was serious about securing the retirement of millions of Australian mums and dads they would take on the scandal ridden big banks who have overseen the loss of millions of dollars of hard earned savings."

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