



Media Release

Senator Mathias Cormann

Shadow Assistant Treasurer

Shadow Minister for Financial Services and Superannuation

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SHORTEN SHOULD ACT NOW TO ENSURE DEFAULT SUPER COMPETITION

More Australians will end up in underperforming superannuation funds as a result of Bill Shorten's decision to delay any action to remove current anti-competitive arrangements in the selection of default funds under Modern Awards until next year.

"More Australians will be channelled into underperforming funds by Fair Work Australia courtesy of a secretive, anti-competitive process," Shadow Assistant Treasurer Mathias Cormann said.

"We welcome the fact that the Minister has finally brought himself to acknowledge there is a problem," he said.

"However, why take another year before starting the process to fix it?"

"If the Minister now acknowledges that the current process is inadequate in that it is not objective, not transparent and not competitive, why wait until 2012 to start fixing it?"

"Why not fix it as soon as possible so superannuants across Australia can reap the benefits of robust and transparent competition?"

"Why has the Minister ignored a Senate order calling him to fix this disgraceful situation back in November 2010?"

"It seems he wants his friends to be able to benefit from the current closed shop, anti-competitive arrangements for as long as possible - at the expense of consumers who continue to be channelled into underperforming funds by Fairwork Australia.

"A competitive, transparent and efficient superannuation industry is critically important to ensure retirement incomes for all superannuants will be maximised.

"It is time Minister Shorten remembered his responsibility to act in the public interest.

"I call on Minister Shorten to put his union bias aside and act immediately to ensure the process to select default superannuation funds under Modern Awards is open, transparent and competitive," Senator Cormann said.

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