



Media Release

Senator Mathias Cormann

Shadow Assistant Treasurer

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11/0921/PK

21 September 2011

Shorten super changes fall short

The Coalition welcomes the announcement of the government's proposed changes to superannuation, but is disappointed that important recommendations to improve competitiveness and corporate governance in super have been ignored.

"The Coalition will support any changes which make our superannuation system more efficient, transparent and competitive, and which improve value for super fund members," Shadow Minister for Superannuation Mathias Cormann said.

"With changes to superannuation the devil is always in the detail," he said.

"Now that more detail has been released we will consider it carefully, in close consultation with all stakeholders.

"We are pleased to note that on reflection the government has backed down from its original MySuper proposal to set a single price through legislation. Imposing a uniform price would have precluded corporate discounts and left thousands of employees worse off.

"Designing superannuation products and pricing arrangements through legislation is inefficient and would lead to inferior outcomes. We are pleased the Minister has now recognised that.

"The best way to maximise value for super fund members is by making sure there are proper competitive tensions in a transparent system across all parts of the value proposition.

"That's why we are very disappointed that Bill Shorten has again failed to address the current closed shop, anti-competitive arrangements in the default workplace superannuation market.

"Current arrangements to select default superannuation funds under Modern Awards are a national disgrace.

"We are also disappointed that Bill Shorten has failed to act on the very sensible Cooper recommendations to improve corporate governance arrangements in the super industry.

"Superannuation is big business with \$1.3 trillion worth of Australians' retirement savings at stake.

"So why is the government not prepared to act on the Cooper recommendation to require independent directors on superannuation boards for example," Senator Cormann asked.

“Why is the government not prepared to act on the recommendation requiring directors wanting to sit on multiple superannuation boards to declare any foreseeable conflicts of interest to APRA,” he asked.

“Bill Shorten has recognised the flaws in his original MySuper proposal. It is high time he did the same in relation to his approach to default workplace superannuation arrangements and in relation to the need for improved corporate governance arrangements in the superannuation industry,” Senator Cormann said.

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