



Media Release

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Shadow Assistant Treasurer
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Competition in default super fund market long overdue

Current closed shop anti-competitive arrangements in the default superannuation market are a national disgrace, Shadow Assistant Treasurer Mathias Cormann said.

The Coalition welcomes the fact that Labor has finally asked the Productivity Commission to design a more open, transparent and competitive process for the selection of default superannuation funds under Modern Awards.

The current process is not transparent, not competitive and inappropriately favours union dominated industry super funds.

Labor promised a Productivity Commission review into this way back in August 2010.

Bill Shorten did his best to protect the best interests of his friends in the union movement for as long as possible.

This has been at the expense of working families across Australia who have been missing out on the benefits of genuine choice and competition for far too long.

There is no reason why this review should take the best part of 2012.

The government should also amend its My Super legislation currently before the Parliament to allow any eligible My Super product to compete freely in the default superannuation market.

Bill Shorten had to be dragged kicking and screaming into commissioning this review.

It is critically important that the government now gets on with it, so people in default super can benefit from genuine competition between all super funds as soon as possible.

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