I generally support the proposed "objectives" of superannuation. I have two concerns.

One concern is the possible misinterpretation of "income", based on personal experiences with accountants (superannuation administrators). While it is clear to me that "income" in a pension mode basis refers to the ability to drawdown sufficient money each year to meet pension needs (whether to meet minimum requirements or actual needs) those administrators with little experience of investing are prone to view income as the income from the underlying investments. Given approximately two-thirds of the total returns over any 20 years in the share market are typically driven by capital gains, and the sharemarket is, over any 20 year period, the highest returning and most liquid of the investments available, it stands to reason that for all accumulators and most of those in pension mode (facing longevity risks) should retain a significant portion in shares. The advent of platforms for SMSF (like Hub24 and my DirectPortfolio that preceded it) has made monthly drawdowns economical by selling a fraction of each holding rather than reducing diversification by selling one holding to fund the pension, or waiting every six months for dividends to be paid.

My second concern is the idea of "preserving savings". In accumulation one should be growing the capital. Regular contributions have a positive dollar cost averaging effect, so volatility has a positive growth effect. I prefer using the term investments to savings, which tend to have a cash connotation.

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