

1. What do you see as the practical benefits or risks associated with legislating an objective of Australia's superannuation system?

Superannuation is such a contentious issue; any proposed objective will be subject to the political mood of the time it's legislated and therefore potentially subject to enough change to make it pointless. It should not be legislated without significant public consultation (thank you), however retirement is not a topic many people think about before it looms on their personal horizon. It's on mine, being 7 years away, but my experience working at a major industry super fund indicates most members are not interested, until it hurts personally. Politics will rule the debate.

2. Does the proposed objective meet your understanding of the objective of the superannuation system in Australia?

No. The 2014 objective seems more appropriate if an objective is needed, "to provide income in retirement to substitute or supplement the Age Pension.". Although I'd be ok if you replace "Age pension" with "Government Support".

I **strongly disagree** with the inclusion of:

- **Preserve Savings** – young people should be able to use their superannuation to help buy a home. It should be a relatively easy thing to do to withdraw a proportion of your super (maybe to a maximum %, not all of it) to use in a first home purchase. This money has been compulsorily deducted from people's income. Dress it up how you like, but people's income would be higher if the SGC is not deducted. It reduces people's ability to buy and pay for their home. The incessant increases in the SGC are way above what's needed for a decent retirement. Back in the day in defined benefit super, 5% from employees and 5% from employers was generally sufficient, as a rule. We're there already. At the very least provide limited means to withdraw if needed (we have several, ill health, financial hardship), we need to add the first home purchase to that.
- **Dignified** – just why? Please remove this! I don't get why you'd use that word in the objective at all... Dignity is in no way related to money, income, at all. Your definition of Dignified says it "denotes the importance of financial security and wellbeing in retirement" Even with this truly warped interpretation of "Dignified", I don't see why it's related to people's own superannuation money. Surely the "Government Support" provides "dignity" for those with no personal "financial security"?
- **Equitable and sustainable** –
 - **Equitable** - What does "similar outcomes for people in similar circumstances" mean? All white heterosexual 60-year-old women should get the same amount? Superannuation, while mandated, is not the same amount for everyone, it's % of income, and open to further private contributions. That rewards personal agency. If you remove incentives for personal agency, by mandating some sort of "equity" you'll end up with a dependent apathetic community, and the tax stream will dry up. I have worked hard and made significant sacrifices to have what I have in super. There is no way someone who has not made the same sacrifices as me is getting my money!
 - **Sustainable**, maybe, if our great country cannot afford to support older people, we need to make adjustments, across the board. But these need to be foreshadowed and made prospectively only. There must be a better way than eating into people's personal savings.

Reading between the lines, it looks like:

- “Preserved Savings”, is being used to ensure the money is held in superannuation, by not allowing people to use it themselves, when needed. It’s our money, not yours. The tax breaks counter the preservation requirements.
- “Dignified” and “Equitable” exposes our own money to the risk that governments will take it for their own purposes. eg as an alternative to providing sufficient government support for those who have not saved for their retirement. Just because there’s a tax break does not make it the government’s money to play with.

3. Is the proposed approach to enshrining the objective in legislation appropriate? Are there any alternative ways the objective could be enshrined?

It’s not needed, and as it’s worded, not appropriate. The objectives are already catered for, as described, under the fiduciary rules for trustees. The Best Financial Interests duty and the Sole purpose test.

4. What are the practical costs and benefits of any alternative accountability mechanisms to the one proposed.

My alternative is to leave it alone. This objective adds no value, except to foreshadow the current government’s intentions to start messing with super. There’s no mandate for this. The government said they wouldn’t make changes to super and got elected on that. The benefit of doing nothing is to potentially increase our trust in government.