

I am a millennial regional Australian.

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

Super should be voluntary, maximally flexible to its owner, and adaptable to national circumstances. If super remains compulsory as it currently is, then any move to legislate an objective that isn't solely 'trustees must maximise profit for members' will be political in nature and inherently risky. This is because legislated objectives cannot respond appropriately to changing circumstances the way individual owners or trustees can.

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

No.

It is questionable that super as it currently exists truly preserves savings, given how restrictive and inflexible it is for owners. For example it is almost impossible for someone under a certain age to economically invest in certain asset classes unless their super balance is abnormally high. This casts doubt on super's intent to preserve savings at a time of rapid inflation and economic shocks.

It is questionable that government support is a core part of super's intention as there are many timelines where super might replace government support altogether, eg. where the Aged Pension is no longer economical due to low productivity or oversized debt.

'Dignified', 'equitable' and 'sustainable' are political terms for which there exists no non-political definition. These realities should not be determined centrally by governments, but at an individual level in a free market.

My understanding of the super system is that it exists to lock up a portion of income that belongs to citizens, to supposedly ease the burden on the Aged Pension when they retire. It is a noble intention but creates all kinds of other problems due to its coercive nature.

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

No, it is not appropriate.

The objective should not be enshrined unless super is made voluntary, in which case it will be clear what Australians are buying into when they accept super and they can choose to not support the objective if it is not suitable to them.

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

If Australians have a direct say over their super (including the choice to opt out) this will maximise accountability over the system.

The chief benefit will be that they can meet their own needs in their own wisdom. For the large majority this will have overall positive social outcomes. For some, this will produce negative consequences for which they will be responsible. As a result education about sound financial

management will improve. Of course any benefits the current system does deliver will be preserved for those who choose to use it.

There may be short term costs in making super more flexible to Australians, eg. sudden influx of savings in the market causing certain assets to inflate in value. It will be important to allow gradual flexibility and change to minimise these shocks. However the market will absorb these fluctuations over time.