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Thank you for the opportunity to make a submission.

Item1

The proposed definition fails the basic test of simplicity and clarity and leaves to much unsaid. Nowhere is the term national economic priorities defined this leaves it to the whim of the government of the day. Clearly this is not a policy but an attempt to control superannuation funds and their uses. If that is the intention it is implicit that the government will guarantee these investments yet this has not been stated.

Item 2

For people in pension phase it seems to be unjust to force a change of investment to be made at the whim of a government for investment purposes.

Many people have faced changes to their superannuation during their lifetimes especially those not in benefit defined pension schemes. An example a person who started their own superannuation fund in say 1969 has seen huge changes such as limits on amount that could be put (\$1200.) per year ,tax on income of over 5%at the 50% ,compulsory investment in Govt/semi Gov securities . I think reasonable to allow them to draw their pension without other restrictions and additional cost after 54 years i.e. persons about 80 years.

There is talk about allowing superfunds permitting withdrawal for housing this is a detrimental concept. I think it is universally recognised that home ownership is one of the best retirement assets yet to day Superfunds are talking about build to rent a most unsatisfactory aim. Surely they could be directed to put a %age into providing home loans for people. The old concept of a building society as the provider not the superannuation fund. It would if properly managed be a good source of home finance for all and even provide a reasonable return for superannuation funds over the longer term.

The other area the discussion does not seem mentioned are those unable to work because of health and/or disability.

The other issue not mentioned is the role of insurance in superannuation.

Item 3

If you choose to enshrine a definition careful consideration of the words, uses should be considered.

The proposed draft fails this.

The words used do not reflect usage and understanding of everyone in the community. E.g. dignified ,equitable .Words that do not have different meaning to different people .

It also seems to suggest but is not clear that upon retirement what funds maybe used for this could be for making alterations to home to allow for living in one's home in the future . It could be unnecessarily restrictive as implied by the document.

The drafting also implies that all superannuation benefit recipients will be receiving government support again a vague and uncertain statement as to its meaning. Surely one the aims of compulsory superannuation may mean that some will not require government support.

Item 4

I believe to resolve some of the issues the government should look at Singapore's Provident Fund systems which seem to address these issues successfully. This system seems to work and I believe it should be investigated and compared before any decision is made as it could provide answers.

I did mention in **Item 2** some comments on this issue.

I trust my comments may assist you in your deliberations and that simplicity and clarity will be achieved for all persons who have superannuation.

Yours Faithfully,

John Church
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