

Thursday 10 December 2015

Statement from Alex Malley, chief executive of CPA Australia on extending superannuation choice to enterprise agreements and workplace determinations

Enabling more choice for consumers when it comes to superannuation is an important part of encouraging Australians to have a greater engagement with their financial affairs.

It's pretty simple really – everyone should have the same choice.

All employees should have the same opportunity to choose their superannuation fund. They should be able to continue using their current super fund when they change jobs without having to contribute to a new one just because it's nominated in their Award, or because their employer hasn't offered choice under an enterprise agreement.

They should have the choice to direct their 'deferred wages' to their preferred super fund, and they should have a say in how it is invested.

Superannuation is as much a part of an employee's remuneration as their salary and other benefits. But up to 40 per cent of employees currently cannot choose their super fund.

As a consequence of this, some employees have multiple superannuation accounts and pay multiple sets of fees and insurance premiums. This of course reduces their retirement income.

For some individuals, a lack of choice contributes to disengagement with their superannuation.

We need to encourage all Australians to have a greater engagement with their financial affairs, including their super.

-ENDS-

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