



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES
MATTERS OF PUBLIC IMPORTANCE

Superannuation

SPEECH

Wednesday, 2 March 2016

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Date Wednesday, 2 March 2016
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Questioner
Speaker Perrett, Graham, MP

Source House
Proof No
Responder
Question No.

Mr PERRETT (Moreton) (16:13): I note the member for Hume is going back to the mythical figures, again. I note that the unicorn policy is a big part of their response. I would have thought this MPI on superannuation might have seen him refer to superannuation or, perhaps, even refer to Australian working people. He is new in the job so, perhaps, that will come in the future.

Before I talk about superannuation, which is one of Labor's greatest achievements, I particularly note on this day, 2 March, the contributors Bob Hawke and, especially, Paul Keating. Paul Keating lost office on this day. He was our Prime Minister from December 1991 through to 2 March 1996. Obviously, I acknowledge his contribution, and Bob Hawke's, to the superannuation contribution that is significant.

Australia has \$2 trillion under management, making it the third largest pool of funds in the world—a little country. Incredibly, the vision of people like Paul Keating—obviously, there were a few changes after 2 March when we had Prime Minister Howard. He was Prime Minister from 1996 right up until 2007. He did not do a lot in his time. He tried to take Australia backwards. Sadly, he did not make significant investments in superannuation. Perhaps, if Prime Minister Keating had been there for another three years he could have seen that progression through to 15 per cent, which was always his original plan. Instead, we see those opposite suggesting that we should freeze the contribution. The reality is that there are some challenges in the superannuation industry, but Labor always does the right thing by people who have superannuation funds. Let us look at the record of those opposite when it comes to superannuation. As my good friend the member for Rankin detailed, it was leaked by the newspapers; they are not prepared to put their name on these policy ideas. They floated these balloons namelessly and gutlessly to see what people would say. What were they prepared to do? The most telling is: they were prepared to lower the penalty on non-compliant employers. That is very telling. They talk about the many Australians who are out there working and trying to have a go. What about the 690,000 Australians who are losing \$2.6 billion annually in unpaid super, and this figure is actually growing? What about those people—who are prepared to invest, prepared to have a go, but their employers do not put their money into super so they do not get the benefits of compound interest? So what does the government do? Obviously, if you are talking about \$2.6 billion you would think that they would jump on it. But no, they say, 'What we are going to do is lower the penalties for noncompliance.' That is going to somehow make it better.

What else is the Abbott-Turnbull government doing? They are freezing the superannuation guarantee and abolishing the low-income super contribution. Who does that hurt most? It hurts women in particular, and I flag this coming up to International Women's Day. Of the 3.6 million Australians affected, 2.2 million of them will be women. I hope they remember that on Tuesday, on International Women's Day. Their contribution to women in Australia has been to make their retirement more impoverished. The super accounts of average Australians are \$20,000 worse off because of this policy from those opposite. Shame.

The zealots opposite have also decided that it is important to attack the best-performing superannuation funds in Australia. What are they doing? They are attacking how these representative boards—

Mr Wyatt interjecting—

Mr Taylor interjecting—

Mr PERRETT: I should point out to those opposite that they perform at 10.2 per cent compared with 9.6 per cent for retail. I need to point out to those opposite: do you know why they are called industry funds? It is because they have employees on the board and employee representatives. That is what you do not understand. And they are performing better—10.2 per cent, consistently.

Government members interjecting—

Mr PERRETT: They do have a choice. There is a choice of employers and a choice of employee representatives on the boards. I know these funds. I am in two of those funds already. The Labor Party's plan for fairer super will return \$14 billion to the budget over the next decade.

Mr Taylor interjecting—

Mr PERRETT: I did mention independent directors. Why would you tinker with a system that is delivering for working Australians right now, with employer representatives on those boards? It is crazy. It is short-sighted policy. *(Time expired)*