

## Submission on Charter of Superannuation Adequacy and Sustainability and Council of Superannuation Custodians

### (1) Charter of Superannuation Adequacy and Sustainability

While I support the general thrust of the key principles – certainty, adequacy, fairness and sustainability – I am concerned that the principle of fairness will be given lip service by the Government of the day (irrespective of which persuasion) when it proposes changes to superannuation legislation and regulations.

In particular, fairness must mean that any Australian who has structured his/her financial affairs in a way to best achieve their retirement objectives and consistent with the superannuation rules current at any point in time, should be given appropriate mechanisms and a reasonable period of time in which to “re-arrange” their superannuation-related financial affairs to address any legislative changes by the government that are disadvantageous to their interests. The simplest way to achieve this outcome is for governments to stop “tinkering” with superannuation rules. Both the current government and opposition support the notion of Australians taking responsibility for planning and saving for their own retirements. Why not leave it to Australians to do just that – unhindered by political decisions that have a short term focus instead of the long term focus implicit in retirement planning?

The notion that sustainability involves administrative simplicity balanced against providing taxpayer assistance to those most in need is simplistic because the success of actions taken today to support this approach will in most cases not be known for years to come. Therefore, in taking any action it is imperative that all governments err on the side of being confident that the action will support those Australians using or likely to use superannuation as the major source of their retirement funding.

### (2) Council of Superannuation Custodians

I am concerned that the Council will be grossly unrepresentative by that part of the Australian community that is most reliant on meeting their retirement financial needs through superannuation.

If there is to be a Council, there should be at 40 - 50% representation on the Council by community representatives from that stakeholder group.

If that % representation is not likely to be supported by government, then I strongly object to the establishment of the Council because the most directly affected part of the Australian community would be disenfranchised to do otherwise.

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