

MEDIA RELEASE

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Remove superannuation from awards to fix Labor's mess

AUSTRALIA'S resource industry employer group AMMA is calling for superannuation to be removed from industrial awards as retail and industry superannuation funds continue to battle over which should be the default for award-covered employees.

"This has degenerated into a complete mess," says AMMA executive director, policy and public affairs, Scott Barklamb.

"Australia's retail superannuation funds and industry superannuation funds are at war over the billions in contributions from working Australians who do not choose where their superannuation should be directed."

AMMA says the review of which superannuation funds are named in industrial awards, designed by Julia Gillard and implemented by Bill Shorten, has become farcical, with two of the three superannuation experts appointed by Labor being disqualified or resigning due to potential conflicts of interest.

It has also placed the President of the Fair Work Commission in a very difficult position and led to his disqualification from heading the review by the Federal Court.

"The Abbott government should fix the mess it has been bequeathed by removing superannuation from the industrial awards system altogether," Mr Barklamb says.

"Superannuation became a legislated entitlement more than 20 years ago and the My Super products now offer low-cost default fund options with no commission fees.

"There is simply no longer any need for awards to mandate the funds into which employee contributions should be made.

"We urge the government to review recent events in this area, including the Federal Court decision and yesterday's response from the Fair Work Commission, and to commence a process to remove superannuation from the matters regulated by modern awards.

"The government should either introduce amending legislation or commence an independent expert inquiry, external to the Fair Work Commission, to consider what if any case there is for superannuation contributions to continue to be regulated by awards.

"Those who advocate for regulating default super through awards should be challenged on why this should continue.

"We particularly extend this invitation to the ACTU, union officials, and others who sit on the boards of industry superannuation funds."

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