

# MEDIA RELEASE

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## **Superannuation choice should be open to all employees**

*Statement by AMMA executive director, policy and public affairs, Scott Barklamb  
(AMMA – Australian Mines and Metals Association)*

AUSTRALIA's resource industry employer group, AMMA, welcomes proposed legislation to ensure unions cannot use enterprise agreements to stop Australian employees choosing which fund they want to direct their superannuation into.

Unions regularly insist that enterprise bargaining agreements (EBAs) covering wages, leave and hours also compel employers to direct all employee superannuation contributions into an industry superannuation fund nominated by the union.

Employees covered by these enterprise agreements are denied superannuation choice. This means they cannot choose where to direct their retirement incomes, and are denied the full range of competing superannuation products. It also stops employees consolidating their superannuation into a single account to reduce fees.

This includes employees who did not vote for the agreement and are not members of the union.

This is unacceptable. Union bosses, enjoying the support of just 11% of private sector employees, should not be able to decide where the superannuation of working Australians is directed and remove their right of choice – particularly not to force contributions into funds with union officials sitting on the board.

The vast majority of Australian employees, ranging from highly paid professionals to those on minimum wages, have the right to choose where to direct their superannuation, to choose between retail funds, industry funds and competing products, or to not exercise superannuation choice and stay in default arrangements.

Most employees also have the right to consolidate their superannuation into a single fund of their choice.

It is not acceptable that unions be able to extinguish these choices for individual employees through collective agreements, and AMMA welcomes legislation to put this right.

*The Superannuation Legislation Amendment (Choice of Fund) Bill 2016 was introduced into the House of Representatives by Assistant Treasurer Kelly O'Dwyer on 17 March 2016.*

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