

## Superannuation Policy

### OBJECTIVES

- The Australian Democrats support a superannuation system based on compulsory employer and voluntary employee savings as an integral component of retirement income provision.

### PRINCIPLES

1. Believe the superannuation system should be fully integrated into the social security and taxation system to encourage people to provide for retirement. Retirement income policy should be based on a fair government funded pension, compulsory employer superannuation contributions and voluntary superannuation contributions.
2. Believe superannuation savings should be encouraged by taxation incentives that are fair, progressive and avoid excessive tax minimisation by high income earners while properly reflecting the deferral of the benefits of superannuation, and government co contributions targeted at low income earners.
3. Believe retirees should be encouraged to take more of their superannuation as an income stream in preference to lump sum payments, unless the retiree is using the funds as capital to start a small business.
4. Believe superannuation trustees should be subject to a strict regulatory regime to ensure they are acting to the best interest of members.
5. Support the creation of an industry funded, low cost dispute resolution mechanism to resolve complaints.
6. Will encourage by incentive that superannuation funds to invest more of their assets in Australia, in ethical investments, infrastructure, regional areas and in venture capital, taking into account the investment preferences of their members.
7. Believe that the laws and regulations that apply to superannuation should be simplified and stabilised, and will initiate a public education program to improve understanding of rights and responsibilities.
8. Will maintain award clauses regulating superannuation while giving workers the right, either collectively as a workplace or individually, to choose their own super fund including at least one ethical fund, in a way that minimises cost to employers and funds, and ensures adequate consumer protection.
9. Will support measures to improve the portability of superannuation and the reduction in the number of small, multiple, inactive accounts, while ensuring protection of the fund member's entitlements.
10. Will require superannuation funds and financial advisers to disclose to members, in a simple and standard format, all fees and charges and commissions, insurance cover, investment returns, entitlements and investment options.
11. Support workers who take time out of the workforce for family obligations by allowing tax concessions on catch up superannuation contributions.
12. Believe employees should be offered a selection of superannuation funds, including at least one defined ethical fund.
13. Will enact legislation so that prudential regulatory authorities are able to ensure that fees and charges are monitored and minimised, that multiple and lost accounts are reduced, and that all relevant factors in making an informed choice about superannuation are fully discussed with customers.
14. Believe that superannuation fund members should be able to use part of their funds as collateral towards purchase of their own home.
15. Believe discrimination on any grounds, including gender, marital status and sexuality, should be eliminated from superannuation legislation.
16. Support individuals who desire to control their own superannuation through a self managed fund, but require appropriate regulatory supervision to ensure the fund is being effectively managed and not used as a tax minimisation device.
17. Believe that a significant portion of the member's funds paid subsequent to the member's death should not be subject to taxation.