



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**PROOF**

**GOVERNANCE OF AUSTRALIAN  
GOVERNMENT SUPERANNUATION  
SCHEMES BILL 2010**

**Consideration in Detail**

**SPEECH**

**Wednesday, 2 June 2010**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

<b>Date</b> Wednesday, 2 June 2010	<b>Source</b> House
<b>Page</b> 60	<b>Proof</b> Yes
<b>Questioner</b>	<b>Responder</b>
<b>Speaker</b> Robert, Stuart, MP	<b>Question No.</b>

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**Mr ROBERT** (Fadden) (5.42 pm)—With respect to consideration in detail, the Minister for Finance and Deregulation has hung the premise for the legislation on the coathanger that this will have increased returns for defence members. Indeed, he indicated in his address to the House that to vote against this would be to vote against increased returns for defence personnel. He then cited three examples of two officers and a warrant officer, a young apprentice coming in at age 18 and after 34 years service having something like \$80,000 more super in their pocket. What I find simply astounding is that this minister can look 34 years down the track and say, ‘This bill will guarantee that you are going to have an extra \$80,000 in your superannuation at the end.’ His modelling is so precise that his department can get it right on the head: it will have this amount of money and that is the reason why we are doing this.

This is not about ACTU control; this is not about the fact that even if there were two boards and the funds were put out to tender—notwithstanding that it is highly likely that an industry super fund would win the tender, Minister, but of course we will wait and see what the result of that is—the results would not change. One board is not needed to ensure that the bulk of the \$18 billion to \$19 billion is actually put out there in the market for a return, because the trustees would not be investing it. They would put it out to tender for a professional firm to invest on their members’ behalf. Whether there were two boards, a military and a civilian board, or whether there was one, that process would still follow. The minister’s premise that only this way could achieve superior results is false. Two trustees, one for the military and one for civilian, using the same tender process for funds under management, would achieve the same result.