

SUBMISSION ON POLICY ISSUES RAISED IN ROUND 5

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Submission for: Another Person

Name of other person, business or organisation: Connecting Every Dot Pty Ltd

Do you agree to your submission being published: Yes

Do you agree to your full name being published: Yes

Your submission:

Royal Commission – Superannuation We welcome the interim findings of the Royal Commission and note its concern over the level of costs imposed on compulsory superannuation in Australia. In particular, the high level of fees and commissions associated with the current superannuation system are a disincentive for members to engage, especially amongst the young. This is not assisted by insurance cover often implemented by trustees and administrators with little or no consultation with members. As a step towards re-engaging Australia’s workforce to actively review their superannuation, we would recommend the following changes: - contributions should be made directly by members rather than indirectly by employers, and - these contributions should be made voluntary so that members have a choice about saving towards their life goals These steps would encourage members to re-engage with how their money is managed and to question any fees and insurance levied. The incentive to save via superannuation would remain given the tax concessions needed to offset future pension costs to government. We at connectingthedots.com.au believe that self-interest and ongoing engagement by super fund members is the best antidote to the inadequacies of the current system, as identified by the Royal Commission to date. Proviso: Members who belong to pension schemes with defined benefits are generally not subject to fees or insurance levies, and should remain unchanged. These schemes include the following: Commonwealth Superannuation Scheme, Public Sector Superannuation Scheme, Military Superannuation, NSW Local Government Superannuation Scheme, State Emergency & Services Superannuation, Transport Services Superannuation, NSW Police Superannuation Scheme and various corporate sector schemes offering defined benefits.