SUBMISSION ON POLICY ISSUES RAISED IN ROUND 5

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Do you agree to your submission being published: Yes
Do you agree to your full name being published: Yes
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This is a submission to challenge the validity of the default insurance provided to young people entering the workforce. The charges are so high that they often exceed the amounts generated by the returns of the value of the account and the effect is a decrease in the value of the account. The superannuation account provider is making more money out the insurance per annum and it has become nothing more than a cash cow as the % of people who make a claim at such a young age is miniscule, but the costs to them ALL is huge. I have two examples, my sons super generated net earnings of [redacted] minus insurance premiums of [redacted] fees of [redacted] (PLUS HIDDEN FEES of [redacted] hidden costs and [redacted] other costs) for a total of [redacted] so a total backward step of NEGATIVE [redacted] so my son went backwards by [redacted] on his long term superannuation journey. The super fund is making this money off all our young people and they don't know how to read the numbers and don't understand the implications to their long term savings. These parasites need to stop, superannuation is such an important start for our kids. A suggestion is to have a government insurance policy up to the total of $50K in the account and then just like the medi-care and private insurance you have to move to either an industry or retail fund, but by then they have a financial education (maybe). The superannuation industry must have a set fee of $50 per annum and run an ASX matching fund again out to $50K and after that they have to move. In another note I have also looked at the returns through the [redacted] fund for [redacted] (My wife is one) her insurances are very expensive, she is 75% of the costs of my life insurance but she is only insured for 41.45% of my value so the risk ratios are all out, she should be at 50% of my costs but she is not! The [redacted] site states that in the 2017/18 year they charged [redacted] in insurance costs to their members so [redacted] fund has very low returns compared to other industry and retail funds, their insurance has a high cost with a low risk ratio due to the type of employment. But they are not allowed a choice this funds needs to be significantly investigated for poor return and high costs to a captive employee group.