YOUR GUIDE TO SUPERANNUATION

SAVING FOR A SECURE RETIREMENT

This guide is kindly presented by
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Contents

Dear Constituent,

This Guide is designed to help you to better understand the superannuation system. It also provides you with a summary of some of the many superannuation changes that the Howard Government has implemented since March 1996, and Labor's responses.

At the back of the Guide is a list of contact numbers of organisations that may be able to help you further.

Of course, please call my office on 9534 8126, if you feel I can be of any further assistance in this or any other matter which may be of concern to you.

Labor is strongly committed to superannuation so that all Australians can save a nest egg for the future. It will assist in providing greater financial security and self-reliance in retirement.

A fairer and stronger superannuation system is crucial for Australia to deal with the challenges of an aging population.

I hope that you find this Guide helpful. If you have any suggestions or comments please be sure to let me know.

Yours sincerely

Michael

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SAVING FOR RETIREMENT

What is superannuation?

Superannuation is a tax-effective way of saving for your retirement. Together with the Age Pension, superannuation is an essential part of Labor's world class retirement incomes policy which is designed to give you access to a decent income after you retire.

In 1992 the Labor Government introduced the Superannuation Guarantee. Under the Superannuation Guarantee, your employer has to put a percentage of your wage into a superannuation fund for you.

The Superannuation Guarantee started in 1992 at 3 per cent for employers with a payroll less than $1,000,000. From 1 July 2000, employers have had to put 8 percent of your earnings into superannuation. This will be 9 percent from 1 July 2002.

Why is superannuation important?

Having a superannuation nest-egg to supplement your retirement income means you will be able to afford the extras which make life a little easier and live a lifestyle not unlike when you were working.

The Age pension is about 25 per cent of male total average weekly earnings or approximately $11,000 per year for a single person. For many people, that will not be enough to live the way they would like to in retirement. In a recent ASFA survey 62% of Australians said that they would not have enough for retirement with their current level of savings.

Superannuation can help to supplement the Age pension. That is why it is important for people to try and save as much as they can for their retirement now.

Who gets superannuation?

Employers generally have to pay superannuation to all workers who earn more than $450 a month.

Currently, almost 90 per cent of the workforce enjoy the benefits of superannuation contributions made by employers on their behalf under the Superannuation Guarantee.

Before Labor introduced the current superannuation system, fewer than 40 per cent of workers had superannuation, and those workers were mainly high income earners or those in the public service.

However, under the Superannuation Guarantee, employers generally do not have to pay superannuation to workers who earn less than $450 a month.

The Howard Government want to stop anyone earning less than $1,350 a quarter from getting Superannuation Guarantee. This will mean many casual or seasonal workers will miss out if they earn less than $450 in some months but not others.

If I earn less than $450 a month, do I still get superannuation?

Some industrial awards require employers to pay superannuation contributions to workers who earn less than $450 per month. The employer is required to meet both the SG and the award.

For example, thousands of workers in the textile, clothing and footwear, the retail trades and the hospitality industries receive superannuation because of their industrial award, despite earning less than $450 per month.

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SUPERANNUATION FUNDS

How do superannuation funds work?

When your employer contributes to your superannuation fund, your money is pooled with other workers' contributions.

A board of trustees – who represent a range of different interests – governs the fund. In many superannuation funds the same number of employers and employees are on the trustee board.

This ensures that your money is being invested wisely and that employers do not use your superannuation to run or invest in their own company, which could be a risky investment strategy and not in your long term retirement interests.

Trustee boards are made up of people just like you. They receive special training and must always act in the best interests of the fund members. Trustees generally take a long-term approach to investing your super savings.

Trustees can and do use a number of specialists to help them look after your money.

These specialists are fund managers, asset consultants and investment advisers who help the trustees to choose good investments which give you a long term return on your superannuation contribution.

The trustees have several important responsibilities under the law including an obligation to invest your money as if it were their own. That means they should not take excessive risks in the investments they make - they should act as if they would be happy to make such investments with their own money.

If they fail in their duties, trustees can be charged with both criminal and civil offences.

Trustees are also responsible for the actions of their specialist advisers. If a fund manager or investment adviser gives bad advice or misuses the funds at their disposal, the trustees can take the adviser to court but the courts may also hold them accountable.

The former Labor Government also established a system in 1993 to ensure that your superannuation could not be lost through theft and fraud. If this happens the Government can levy a small charge on all other superannuation funds to put back all of your lost superannuation money.

What type of benefits do funds provide?

There are two basic types of benefits. You can either accumulate your superannuation and receive a lump sum at the end, or grow a defined benefit.

An Accumulation Benefit

This is where your superannuation is invested by your super fund and you earn interest from the investment, and then extra interest investing that interest.

This is the most popular superannuation in Australia because lump sums grow quickly and provide the greatest flexibility when you retire.

The Liberal Government tried to slash your protection from theft and fraud.

The Liberal Government is committed to reducing the current, up to 100 per cent, protection of your super investment from theft and fraud.

The Treasurer, Mr Costello, introduced legislation that only allows an 80 percent maximum replacement of your retirement savings if they are lost through theft or fraud.

That means you will only be guaranteed $8 out of every $10 that is lost through theft or fraud under the Howard Government's proposed changes.

Labor blocked these changes and will remain vigilant to help protect your super.

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A Defined Benefit

This is an older style of benefit. It is very popular with those people who are in employer or corporate sponsored funds.

When you start to save your superannuation you are told how much your savings will buy when you retire. There is less flexibility with these funds, but often a greater retirement benefit at the end.

What types of super funds are there?

There are many different types of superannuation funds and products on the market, including

- industry funds
- public offer funds
- master trusts
- employer or corporate funds or
- self managed or DIY funds.

Industry Funds

Many industries have established their own super funds. You may have seen them advertised by former Reserve Bank Governor, Bernie Fraser.

These funds are some of the largest superannuation funds in the country and some are 'public offer funds' meaning that any member of the public can join them – you do not have to work in a specific industry.

Thousands of businesses, large and small, prefer industry super funds as they help cut down on the time and costs of paying workers' superannuation contributions into separate superannuation funds.

Industry funds often have excellent rates of return for members and, most importantly, some of the lowest fees and charges in the market. They also don't have to pay commissions to advisors nor do they have to make a profit for shareholders – nearly all of the returns go back to the fund members.

Many people want to be able to choose how their money is invested. Most of the big industry funds are allowing members to choose their own investment strategy from a menu of options.

Employer or Corporate Funds

These funds are normally old and well established. There are often different categories of membership based upon an employees position.

These funds are not normally available to the general public. Employer funds may also have different categories of benefits.

Master Trusts

A master trust is a trust established by a company like AMP or AXA. They are huge trust funds which can have smaller trusts set up within them.

Small businesses can use master trusts to have their own specific superannuation plan for their workers without having to administer it.

The advantage of these funds is the range of investment strategies offered. The disadvantage is that their fees are often high when compared to industry or corporate funds.

Public Offer Funds

A public offer fund is allowed to offer membership to anyone. This type of fund can accept contributions from employers and/or workers. In many cases, they are industry funds that have sought and been granted the right to open their membership.

Other public offer funds are the same as master trusts but provide policies direct to individuals rather than businesses. These are known as retail funds. Like master trusts for businesses their fees are, on average, higher than industry or corporate funds.

Retirement Savings Accountants

The Howard Government now allows banks, building societies and credit unions to offer superannuation accounts.

It is important to remember that the banks' main duty is to provide a return to their shareholders, that comes out of the returns that are paid to superannuation Customers.

Your money in these retirement savings accounts may be lent for business, home and personal loans. There is no requirement for a balanced portfolio of investments, to provide a mix of high return and security.

As a result, it is likely that the average rate of return from a retirement savings account could be much lower than a superannuation fund. And there are no trustees governing these accounts.

YOUR OWN SUPERANNUATION FUND — DO IT YOURSELF

There are currently over 180,000 self-managed superannuation funds. Individuals can choose how to establish their own superannuation fund. For example, you can establish and run the fund yourself, or you can run it through an insurance or accountancy firm. But beware of the costs of doing so.

Fees and Charges

All superannuation funds cost money to run. Some corporate and public sector employers pay these costs for their employees but most super funds levy fees and charges against their members' accounts.

There are three main sorts of costs to members:

- Administration fees and charges –to cover the cost of maintaining member accounts, processing benefit applications, calculating tax obligations, etc;
- Investment fees and charges—paid to investment advisors and managers and often taken away from the net return'
- Insurance premiums—to cover the insurance benefits outlined on page 11.

These fees are often deduced from a member's balance but many funds—particularly retail funds and master trusts—have entry and exit fees or fees charged on contributions. Funds that offer a range of investment options may charge you for switching between options.

Funds are required to tell you on your statement when fees are deducted but often it is unclear exactly how much these fees are and what they are for.

Labor supported changes that came into effect on 11 March this year that will require funds to provide details of all their fees and charges to their members. Funds also need to give their Ongoing Management Charge. This will exclude many types of fees and charges and may give a misleading picture of what you will be charged. You should always read the fine print—especially if you are joining a new fund.

Retail super products are often sold by advisers and agents working on commissions from the provider of the product. From 11 March new advisors will need to tell you what commissions they are paid but other advisors have up to two years before they have to. If anyone tries to sell you a super product you should always ask: What's in it for them?

WARNING:

High fees and charges are not illegal but you should not pay more than around $100 a year in administration fees and more than 0.5 to 1.0 per cent in investment management fees. Please contact your local Labor member or Senator if you are.

Membership Choice - Can I choose my own super fund?

Some employees can choose their own superannuation funds while others are required to either join their employers' fund or an industry based fund.

Those in industry based funds, generally enjoy very low fees and charges, low-cost insurance benefits, and the peace of mind that they are represented by employee elected trustees.

Before the last election the Government tried to deregulate super by introducing so-called choice. Despite their talk of choice their proposals would have encouraged unfair workplace agreements that would have forced thousands of employees out of low-cost industry funds into higher cost products.

Attempts by other countries to introduce choice of superannuation fund have resulted in huge compensation bills as thousands of investors were lured away from decent superannuation funds into products with very high fees and charges.

In the United Kingdom, some 570,000 people were sold inappropriate superannuation products by commission based salespersons leading to a compensation bill of around $25 billion and climbing.

Were this to happen in Australia, it would wreck our superannuation system.

The Government has promised to introduce so-called choice again. Labor will examine these proposals carefully and will make sure that, whatever happens, employees are protected from excessive fees and from unscrupulous conduct by employers or financial advisors.

Taxes on superannuation

Superannuation is taxed three times: 15% on employer contributions, 15% on earnings and 15% on the portion of a lump-sum over $105,843 on retirement. Voluntary personal contributions from your after-tax income are not taxed.

In 1996 the Government introduced a new tax called the 'surcharge' for high income earners. Anyone earning $85, 242 or more in 2001-2002, will pay an extra tax on contributions. This is 1 per cent tax for every $1,219 over $85,242 which is capped at 15 per cent.

The tax is collected through superannuation funds which need to ask for their members' tax file numbers. This increases administrative costs for all fund members.

If your superannuation fund does not have your tax file number, the trustees may have to deduct the 15 per cent tax from your account – even if you earn less than $85,242.

If you have not given your tax file number to your super fund, please contact your superannuation fund **immediately**. You can also ring the Taxation Office and give them your tax file number using their automated service – the number is: **13 10 20**

The only way that money can be returned to your account is if you contact the Australian Tax Office (ATO) and give them proof that your income did not exceed $85,242 in that year.

Superannuation and the GST

The GST imposed on superannuation funds will result in lower retirement incomes for millions of Australians. It is an additional tax on your super fund and that means an additional tax on your superannuation savings.

Superannuation funds have to pay GST on the services and capital equipment they use to collect your superannuation contributions and invest your nest-egg. These costs are passed on to you.

GST on your super fund means less for you to live on in retirement.

Superannuation and the Budget

In this years' Budget Howard and Costello have proposed to cut the rate of the surcharge (tax) on high income earners by 30%. This will do nothing to reduce the administrative costs that the surcharge imposed on all fund members but it will mean a huge windfall to high income earners.

The Budget contained what the Treasurer claimed was a plan to boost incentives to investment in superannuation. In truth, it is a plan to benefit the well off whilst leaving middle Australia with nothing.

The Government's proposal to give a superannuation tax cut will only benefit the top three percent of working Australians.

Labor has a better plan.

We now have an opportunity to implement a fairer proposal, which will improve the Budget and boost retirement savings. But this chance will be lost if the Government introduces its unfair changes.

Death Benefits

John gets divorced. John remarries Kate, and they have three children. John is a member of a superannuation fund. He nominates his wife Helen as the beneficiary of his superannuation in the event of this premature death.

Five years later Helen and John's will nominates Kate and their children as the sole beneficiaries of all his possessions. But John hasn't updated his death benefit nomination.

When John dies, Kate may not be able to access John's superannuation – the trustees of his superannuation fund will have to determine where John's superannuation entitlements should go, but they will generally use John's death benefit nomination as a guide.

This is why you should remember to keep your death benefit nomination up to date.

Labor's Fairer Alternative

Labor is proposing a fairer alternative to the Government's tax cuts for those who are already well off. Labor will redirect the more than $1 billion the Government plans to spend on cutting the surcharge, allowing high-income couples to split their contributions and expensive changes to public service super to a cut in the contributions tax for everyone.

The current 15 percent tax on almost all contributions reduces retirement incomes.

Labor is considering two fairer options to redirect the Treasurer's superannuation tax cut away from the few and to all superannuation fund members.

Labor's alternative propositions to be phased in from 1 July 2003 are:

- **Option 1**: cut the superannuation contributions tax for all Australians from the present 15 percent to 13 percent, or
- **Option 2**: cut the tax to 11.5 percent for people aged 40 and over.

Either option would add many thousands of dollars to everyone's retirement income. Both are economically responsible.

All the following examples reflect the value in today's terms. The benefits will be substantially more in the dollars of the future.

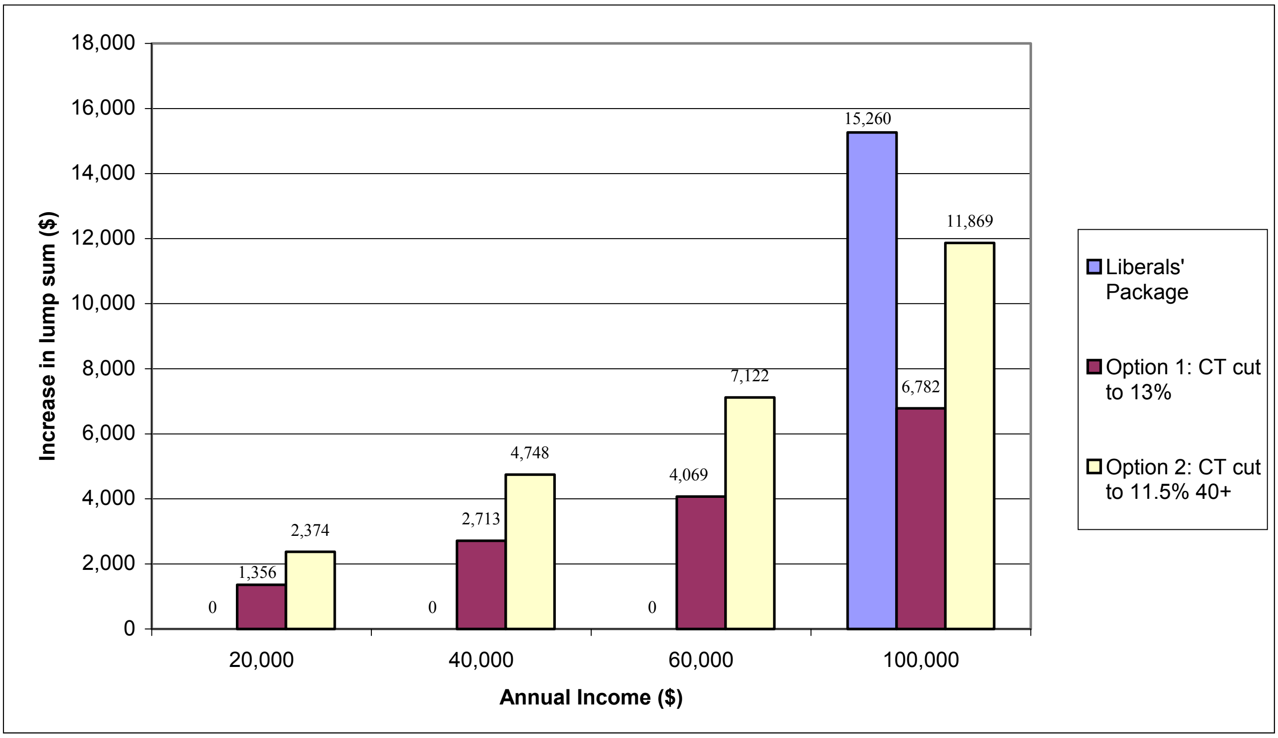
Example 1: Mathew is 20 and earns $40,000 a year over his career. He gets an extra $7,128 in a retirement nest egg under Option 1 and $4,748 under Option 2. Mathew would receive nothing under the Liberal Government's proposal.

Example 2: Jack is 40 and earns $40,000 a year for the rest of his career. He gets an extra $2,713 under Option 1 and $4,748 under Option 2. Jack would receive nothing under the Liberal's proposal.

Example 3: Heather is 40 and earns $60,000 a year for the rest of her career. She gets an extra $4,069 under Option 1 and $7,122 under Option 2. Heather would receive nothing under the Liberal's proposal.

Example 4: Keith is 40 and earns $100,000 for the rest of his career. He gets an extra $6,782 under Option 1 and $11,869 under Option 2. However, if the Liberals had their way, he would be $15,260 better off.

Benefits of Labor's plan for a person aged 40 in 2005-06



Labor's plan to cut the contributions tax is the best way to deliver higher retirement incomes to all working Australians.

Preservation and early release

What is preservation?

Preservation means that your superannuation must stay in your fund until you reach 'preservation age' and retire. When the present superannuation system was introduced, it was decided that Australians could access their money, after they had retired, at age 55.

Because employees are now working longer, the preservation age is being progressively scaled up to 60, which allows time for people to adjust their retirement income plans. Those born after 30 June 1964 will have their superannuation preserved until age 60.

Persons Born	Preservation Age
after June 1964	60
July 1963-June 1964	59
July 1962-June 1963	58
July 1961-June 1962	57
July 1960-June 1961	56
before July 1960	55

If I am under the preservation age, can I still access my super?

Yes, but usually only some of it and in very limited circumstances. Worse still is that the Howard Government has made it even harder to get access.

In the past, the preservation age has generally only applied to the money contributed to your super fund by your employer. It usually did not apply to money that you may have put in to top up your superannuation, which you could generally access when you left your job.

However, this changed from 1 July 1999 as a result of the Government's 1997 Budget change that **all** the money which you or your employer put into your superannuation fund must be fully preserved.

What happens if I need my money to pay debts or to survive?

Generally, you cannot access your superannuation until you reach preservation age and retire.

However, if you are not working because you are permanently or temporarily incapacitated, you may be able to access your superannuation depending on the rules of your superannuation fund.

You may also be able to access your superannuation on compassionate and severe financial hardship grounds (see below).

Different superannuation funds have different rules. You should check with your superannuation fund to find out how the rules apply to you.

Sometimes you may have to pay a penalty fee in order to access your superannuation early. That's one reason why it is important to consider whether early access to your super is your best option.

In any case, if you access your superannuation before preservation age it will generally lose its tax benefit, meaning you will be financially worse off than if you can leave it to accumulate in your super fund.

Fair access in times of severe financial hardship

In 1992 when compulsory superannuation was introduced, Labor set up a system to allow people in financial difficulty to access some of their superannuation.

To get access, you had to prove to the then Insurance and Superannuation Commissioner that you were experiencing financial hardship, perhaps caused by:

- Redundancy
- Illness, or
- Unemployment

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The Commissioner could decide how much of your superannuation you could access. For some, it might have only been $500 but for others it might have been all of their superannuation. The Commissioner's decision was made on a case by case basis.

The Howard Government has tightened access to super in severe financial hardship

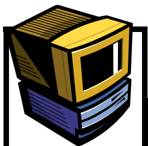
Since July 1997 one cannot apply to the Insurance and Superannuation Commissioner to make a case on severe financial hardship grounds. Instead you have to apply to the trustees of your superannuation fund after you have obtained a letter from Centrelink.

To qualify for **severe financial hardship** you must have been in receipt of a Centrelink income support payment continuously for 26 weeks or cumulatively for 39 weeks if over age 55.

You could apply for your super on **compassionate grounds** by contacting the Australian Prudential Regulation Authority (APRA) which replaced the Insurance and Superannuation Commission in 1998.

However, to access your superannuation on compassionate grounds you must fit into certain very narrow criteria (see box)

You can find out more about applying for compassionate release by contacting APRA or by looking on their website.



Links

http://www.apra.gov.au/Superannuation/Early-Release-of-Superannuation-Benefits.cfm

Early Release on Specified Compassionate Grounds

APRA can approve the early release of some or all of your super on the following grounds.

A. To pay for medical treatment not covered by the public system for you or your dependants for life threatening illnesses, acute or chronic pain or an acute or chronic mental disturbance.
B. To pay for transport for you or your dependants to access medical attention for the types of illnesses in A.
C. Modifications to your home or vehicle because you or your dependant have special needs arising from a severe disability.
D. Funeral or palliative care for you or you dependant.
E. Mortgage assistance — this is only to prevent your mortgagor from foreclosing on your home and cannot exceed 3 months repayments and 12 months interest. It does not apply to most business or personal loans.

For A to D you will need to provide bills or estimates of costs to APRA along with statements doctors — APRA can provide you with more information on these requirements.

Rollovers

Maria is a public servant five days a week and works as a waitress on Saturdays and Sundays.

The public service pays her superannuation into the public service fund while the business that employs her to work as a waitress pays her superannuation into HOST plus, the Hospitality Fund.

Maria also used to work for AMP and her superannuation contributions were paid into the AMP fund.

Because she has held a number of jobs over her working career, Maria has five different superannuation accounts with five different funds.

Maria can roll her AMP money and the other money from her previous employment into her public service fund, provided the fund rules permit it.

However, she cannot roll her money from her waitressing job into the public service fund until she ceases working as a waitress

Other Super Issues

What do I do with my super when I retire?

Superannuation is for one specific purpose – to help you have a decent income when you retire.

When you receive your superannuation payout, you can buy different types of retirement investment products. However, this can often be quite confusing.

You can buy products that will:

- guarantee you a pension of a set amount for a set period of time; or
- guarantee you a set pension for an undefined period of time.

When you are nearing retirement, you can also roll your superannuation over into a product which may guarantee you a certain amount of income and/or a specific lump sum.

With all the products on the market there are a number of traps, terms and conditions that you need to be aware of – it may seem boring, but it really pays to read the fine print.

Before you buy any super product, you need to decide what you or your family need. Do you want a lump sum with which to pay off your mortgage or do you want a steady income stream which may be indexed to interest rates, deeming rates or the CPI?

You should shop around and collect as much information as possible on all of the available products. Your own superannuation fund may have an adviser to help you choose what type of product best suits your needs.

Remember, it is best to think about your retirement income needs well before you near retirement age.

What additional benefits does my superannuation fund provide?

Superannuation can provide a range of additional benefits other than helping you to save for a better retirement income.

The industry superannuation funds and many public offer funds let you insure yourself against death and permanent disability.

This can cost upwards of a few dollars a week and is usually automatically deducted from your superannuation contributions if you decide to take up the offer.

However, usually it is not your superannuation fund giving you the insurance but a separate insurance fund. If you have to make an insurance claim you have to satisfy criteria set by both the superannuation fund and the insurance company.

Depending upon your fund you can choose the minimum and maximum amount of insurance cover. This will cost different amounts.

Insurance cover is one of the greatest advantages of superannuation. Many people who would not

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otherwise have insurance now protect themselves and their families against unforseen events.

The types of insurance claims often made include death, but they may also include:

- paralysis
- work related illness, or
- disability

Generally, when making a claim against your insurance on disability grounds, the disability must prevent you from being able to work in your former capacity or former field of employment to be successful.

Some superannuation funds offer other benefits like access to health insurance, computing equipment or share owners discount cards.

For more information about superannuation, insurance and other benefits, contact your superannuation fund.

Can I borrow money to buy my own home?

Many superannuation funds have joined together to provide low fee and low interest home loans called Super Members' Home Loans through a company called Members Equity.

You may be eligible if your fund is participating.

For more details contact Members Equity on 1800 650 999 or look on their website: **www.membersequity.com.au**

Who will get my super when I die?

When you become a member of a superannuation fund you may be asked to nominate who should get your superannuation if you die.

It is important to let your superannuation fund know if you want to change your nomination.

If you die before accessing your superannuation your Will and Testament does not necessarily determine who your superannuation will go to.

Even if your Will nominates someone else, the person named on the membership application may have first claim on the superannuation benefit.

A Law has just passed the Parliament which allows superannuation fund trustees to accept binding death benefit nominations from fund members. You should contact your superannuation fund if this is of interest to you.

You should ensure that your membership form is always up to date. If you need to change your nomination, just call your super fund and they will be able to send you a new form.

How do I put all of my superannuation into one account?

In 1995 the former Labor Government introduced the Transfer Protocol to assist fund members to consolidate their superannuation accounts. This saves on fees and charges.

If you tell your different superannuation funds you want to put all your superannuation into one fund, the funds should release your money to the superannuation account you nominate.

Remember if you have two jobs, each employer may be paying your superannuation into different funds.

At the moment if two different employers employ you, in two different industry sectors, your employer does not have to pay your superannuation into your specified fund. If you have any further inquiries about rolling your money over you should contact your superannuation funds or the **Australian Prudential Regulation Authority (APRA) on 1300 13 10 60.**

What if I can't remember where my superannuation is located, or how many funds I have?

If you have worked a number of jobs and your employer has paid superannuation into an account on your behalf, you may have several superannuation accounts.

Sometimes, it is hard to keep track of where your monies are held. Your superannuation fund may not know your current address, so you may not have received any statements for a while.

If you think that you might have outstanding superannuation with a fund, but can't remember the name of the fund, there is an easy way to find your outstanding superannuation money.

Just call the **Australian Taxation Office Superannuation Hotline on 13 10 20** and follow the steps to the lost members register.

All superannuation funds are required to report to the ATO when they can't find a superannuation fund member. The ATO keeps a register of names of people who might have 'lost' their superannuation.

You may be surprised by how much of your superannuation is just waiting for you to roll it over into your current fund and save on fees and charges.

What happens to my super if I get a divorce?

Under existing laws, the Family Court has treated superannuation differently depending on the case.

In some cases, the Family Court has determined that one person can keep all of the superannuation but they must make a cash payment to the other person. This can leave the superannuated person with a large debt particularly if they have to borrow money to pay to the other person – in many cases the superannuation cannot be accessed until many years later.

On other occasions, the Family Court has allowed one party to keep an asset – such as a house for example – while the other party can keep the superannuation. This again often leaves both parties asset rich, but cash poor and is not suitable for all situations.

This inconsistent treatment leaves many divorcing couples uncertain as to what will happen with their superannuation.

When in Government, Labor was developing proposals to assist divorcing couples and the Family Court to better determine how to split superannuation assets in the unfortunate event of a divorce. Labor lost office before these proposals could be legislated.

Since the election in 1996, the Howard Government has been slow to progress Labor's initiatives. However, early in 2001 legislation was passed to allow for the equal splitting of assets in the event of divorce.

Labor supported the Government's legislation although we had some concerns about how it would be implemented. In particular, we expressed concerns that while the Superannuation Complaints Tribunal would have additional responsibilities under the legislation it would not receive additional funding.

The legislation commences on 28 December 2002. If believe you may be affected you should seek legal advice.

Are you getting your superannuation?

Many workers complain that their superannuation is not being paid to their super fund by their employer. If you think that this may be happening to you the FIRST thing you should do is check with your super fund. If they haven't received your super then you should visit the Australian Taxation Office and fill in an 'employee notification' form to let them know. You need to let the ATO know because they are the only people who can legally pursue your superannuation.

You have not heard anything from the ATO or they have not got your money yet?

Unfortunately this is not an uncommon case. Over $104 million of superannuation that is due to workers has not paid. Often this money is lost for good.

Labor has been dissatisfied with the Tax Office's lack of action when pursuing workers' missing superannuation. In many cases it takes them so long that the company has folded and the workers miss out.

This has had a disastrous impact on people's retirement incomes.

Labor believes that the Tax Office should individually follow up every single complaint about missing superannuation.

If you do not think that they are doing enough then you should contact your Member of Parliament and seek assistance.

In an effort to try and reduce the amount of workers super that is lost Labor has moved three Private Members Bills—the most recent one in March 2002 to ensure that all superannuation is paid at least quarterly, rather than the current minimum of yearly. Each time the Government has refused to even debate these bills.

Currently 86% of employers pay quarterly or more frequently and they should not be at a competitive disadvantage compared with employers who pay infrequently or not at all.

If the Howard Government allowed this measure to pass the Parliament then it would reduce the amount of lost super because it would come to the ATO and employees attention that money was missing much more quickly than it currently does.

Are you a Casual Worker and do you get enough Super?

A recent decision of the Administrative Appeals Tribunal that employers must pay the Superannuation Guarantee on the total hours actually worked means that hundreds of thousands of employees may be missing out.

So if you have not been getting your superannuation paid on the actual hours that you have worked then you may actually be entitled to much more.

If you think this applies to you, you should contact your fund or the Tax Office.

If I have a superannuation problem, who do I talk to?

If you think that something is wrong with your superannuation you should check it out. Perhaps you have not received a statement from your fund for a period longer than six months or maybe you think your employer is not contributing to your fund on your behalf. Maybe you think some of your money is disappearing.

There are a number of people you can call to alert to the problem.

- Your superannuation fund. If you do not get an answer or a written response in seven days you should call the Australian Prudential Regulation Authority (APRA).

- APRA has a hotline (1300 13 10 60) which you can call and to ask questions about, or lodge an application for, early release on compassionate grounds or if you believe your fund is being mismanaged. You may need to write a letter outlining your concerns and providing some information. Remember to keep a copy for yourself.

- ASIC also has a hotline (1300 300 630) that you can call if your fund is not giving you the right information about fees and charges.

- The Superannuation Complaints Tribunal (SCT – phone: 13 14 34) can help settle a range of complaints, particularly those about benefits, insurance or payment of money if you have already complained unsuccessfully to the fund itself. .

The Tribunal is not a court of law, but rather a legal body which helps you and your fund negotiate an outcome.

The SCT is suffering form a lack of resources which is causing long delays in resolving complaints. **Labor pressured the Government into putting more resources in but this still may not be enough to provide workers with a cheap, fast, independent dispute resolution mechanism.**

CONTACT DETAILS

Australian Taxation Office Superannuation Hotline

13 10 20
www.ato.gov.au

Australian Prudential Regulation Authority

1300 13 10 60
www.apra.gov.au

Superannuation Complaints Tribunal

13 14 34
www.sct.gov.au

Australian Securities and Investments Commission

1300 300 630
www.asic.gov.au

Centrelink

13 23 00
www.centrelink.gov.au