

Wednesday 13 March 2019

## More scrutiny needed on Self-Managed Funds

The ACTU supports calls for an inquiry examining the underperformance of small self-managed super funds (SMSFs) after the productivity commission revealed that SMSFs with less than \$500,000 perform 'significantly worse' than regular super funds.

Industry super funds consistently out-perform bank-owned funds and are consistently trying to find ways to provide better outcomes for members.

Too many workers are duped into starting an SMSF when the experts know accounts with relatively small balances will not perform well.

The Productivity Commission report raises questions about the value being provided to customers by SMSFs and this should be thoroughly investigated.

### Quotes attributable to ACTU Assistant Secretary Scott Connolly:

“There should be consistent scrutiny of any super funds which are not providing for members.

“The Productivity Report raises serious concerns about the performance of these funds and the security of the retirement of their members.

“The banks sell SMSFs to low super balance workers because they can charge massive fees, take a large cut of investment returns with little to no scrutiny.

“Industry funds have been shown to be consistently out-performing all other types of funds – the funds which are failing their members should be exposed to extensive scrutiny.”

**Media contact: Peter Green 0400 764 200 or ACTU Media: 03 9664 7315**