

To: **Review of the Retirement Income System** at: AFTSretirement@treasury.gov.au; the Minister for Superannuation and Corporate Law, Senator the Hon. Nick Sherry, at: senator.sherry@aph.gov.au;

- The superannuation system needs to maximise incentives for self-reliance in retirement saving. The social benefit is to reduce in proportionate measure reliance on the Government and future generations for retirement Income support. As it stands, the government will have great difficulties supporting retirees on its pension entitlements: the numbers would grow if retirement savings were reduced. With an aging population, this is another financial timebomb waiting to explode. I suggest that you do some financial modelling to ascertain the real cost.
- I therefore support the current superannuation income tax concessions. The tax-free withdrawal of superannuation benefits for those aged 60 and over is a critical concession that should be maintained into the future.
- Reducing the costs and complexity to superannuation members can best be achieved by promoting fair competition between superannuation funds. Open, transparent competition will make all superannuation providers more accountable to members. SMSFs are critical to effective competition in the overall superannuation sector. SMSFs promote self-reliance in retirement saving by delivering choice, flexibility and control to individuals. The recent results of all Australia's super funds are abysmal - have a look at SMSF's for a fair comparison!
- The non-SMSF sector is seeking to impose greater regulation on SMSF trustees. Such change is driven by anti-competitive motives. Greater regulation of SMSFs will add to complexity for members and become a disincentive. Existing regulation of SMSFs is sufficient.
- In addition, the imposition of mandatory training courses would discriminate against trustees located in regional and rural areas. Many non-metropolitan trustees would face difficulties in accessing course providers in their region. If the super funds are so superior to the SMSFs in their advice, please show the figures - you will see that SMSFs can and do take good advice and help from professional firms, and don't need to become professional investors themselves. The idea is absurd and would be a total waste of taxpayer's funds.

Thank you.

Stanford Lifschitz