

## Super oblivious: One in four Australians unaware they have multiple super accounts

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Disengaged consumers want the Government to act on multiple super accounts, and ensure default super funds should be good quality, with low fees and a history of good performance, new polling has revealed.

The polling, commissioned by Industry Super Australia and conducted by UMR, shows that Australians with super significantly underestimate the existence of multiple super accounts, with only one in seven, or 15 per cent, of the people polled aware that they have more than one super account.

In contrast, the Productivity Commission found that 40 per cent of people have multiple super accounts, meaning up to 25 per cent of people, or one in four Australians, with multiple super accounts may not actually be aware they have more than one.

This chronic disengagement could be why 70 per cent of those polled support the Government taking action on multiple accounts by ensuring they just have one super account – either by combining their super automatically when they change jobs (71 per cent support) or by allocating them to a single fund for life (69 per cent support).

While consumers support Government intervention to stop the proliferation of multiple accounts, they are concerned about getting stuck in a poor performing fund, with 71 per cent of people agreeing that default funds should be good quality with low fees and a history of good performance.

In comparison, just 30 per cent of people polled supported a less regulated, choice framework, where employers could use any fund they want as their default fund, regardless of how good it is.

Industry Super Australia Acting Chief Executive Matthew Linden said these results reinforce the need for the Government to stop multiple accounts and implement reforms that enhance consumer protections, not undermine them.

“The last thing chronically disengaged consumers want to worry about is trying to consolidate old super accounts,” Mr Linden said.

“Nor do they want to get to retirement and wake up to the fact that they have lost hundreds of thousands of dollars through duplicate fees and premiums.

“These results confirm there is overwhelming support from consumers for government to step in and find a way to eliminate multiple accounts for good, so that everyone can have confidence their super is in the one place, in a high performing fund earning good returns.”

Mr Linden said automatically consolidating or combining a person’s super every time they changed jobs into a single, quality checked account was the only way to solve this problem.

“It will take the hassle out of super for disengaged consumers and will mean more returns and more money and security for hardworking Australians in retirement,” he said.

“Condemning a person to a single fund for life, regardless of its performance, could see people end up hundreds of thousands of dollars worse off by the time they retire if they are stuck in a dud fund.”

Mr Linden said these results reinforce the need for strong default system, with quality filters and safeguards – not complex choices without quality checks which leaves people vulnerable to exploitation.

The results can be found at

[https://www.industrysuper.com/assets/FileDownloadCTA/8e4e1f72e4/190705\\_Report\\_multiple-accounts\\_Jun19.pdf](https://www.industrysuper.com/assets/FileDownloadCTA/8e4e1f72e4/190705_Report_multiple-accounts_Jun19.pdf)

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