



We The People

Program 60

Super heroes

I've always been fascinated by Superman. In fact it was the early television series of Superman with George Reeves when I first saw TV in glorious black and white for the very first time. The neighbors just up the road in Boomerang street were fortunate enough to get a set in 1957 and my mates and I used to sneak up to their front window at night and jump up and down just to glimpse Superman leaping tall buildings in a single bound. He was indeed faster than a speeding bullet and so were we as the faster we jumped the more of this amazing program we saw. Mind you we didn't notice what was happening to their garden at the time.

Now, many years later I no longer try to launch off the garage roof with a towel as a cape but I do speak with superman regularly. He's the man at Q Super and handles my superannuation. Over a life time I have accumulated a modest fund remembering that superannuation wasn't always well known nor did most see it as important. We have come to realize that super may be a key to retirement these days yet it's not all that's it's cracked up to be by a long shot. In fact it's a con in my view in the way in which it works. One of the funds I had was with National Mutual later to become AXA and over many years AXA like others including AMP made all kinds of promises about caring for me and managing my small nest egg. It seems these funds and others were always creating images of happy people running through fields of flowers in slow motion apparently emphasizing the utopian life I would inherit at retirement. So far the slow motion is only because of age and the flowers are more like Patterson's Curse which looks lovely at a distance but kills whatever feeds on it. Anyhow back to the point and pardon my cynicism.

Originally super contributions were tax free and a lump sum was paid at retirement which was taxed leniently. Then the nefarious Paul Keating changed the rules to tax us at 15% up front on contributions. That had the effect of reducing compound growth year on year and over a life time the loss to us was enormous yet no one noticed. Then successive governments changed the superannuation rules faster than a speeding bullet and that just made today's rules utterly incomprehensible. It depends when you were born and how much is preserved and a whole phalanx of words and phrases used to confuse, deceive and rob us all backed by an enormous battalion of public servants feeding on my little pot. In fact, if you look back over 10 years Australians have lost a greater percentage of their superannuation funds than any other country in the world other than Iceland. The global financial crises caught most finance experts by surprise except Steven Keen who got it right because he noticed that greed had become our fund manager. This meant our super plummeted instead of flying and for those near retirement it has been disastrous as the super funds had far too much invested in shares. Their negligence is self evident and today they have overcome this by making us decide what level of risk we want. Plain rubbish because they should know best, that's their job.

These super funds hide behind disclaimers and call centers and stern warnings to seek expert advice and battalions of fine print but hang on, aren't they the self appointed experts. I rely on them to invest my pennies and to see a solid return and for that they charge me. But wait, when they don't perform they still charge me. That's right it's the only business in the world where they can charge you to lose your money and that's super wrong. In the last two years I have asked AXA on four occasions to have one of their directors call me to explain why they feel comfortable to charge me for losing my money. Surprisingly no one has called just more ads with happy people and silly meaningless slogans just like most of the other funds. With over 350 super funds in Australia managing nearly two trillion dollars most of them do the same to us as they hold their crazy kryptonite currency while we stagger around wondering why we feel weak and depleted.

So when next you're looking up in the sky for a super hero who can bend steel in his bare hands or change the course of might rivers of money then call a superman. Find a company that will take real responsibility and not charge you unfairly. The superannuation industry is full of super villains and sometimes I get the distinct impression Lex Luthor is in charge.

Until next time this is Clark Kent Bayley