

Andrew Cox  
NT

Ms Jill Irvine  
Productivity Commission  
PO Box 80  
BELCONNEN ACT 2616

Dear Jill

**REVIEW OF THE SUPERANNUATION INDUSTRY (SUPERVISION) ACT 1993**  
**AND CERTAIN OTHER SUPERANNUATION LEGISLATION**

The reason I am writing to you is that some superannuation funds are restricting competition by refusing to allow members to roll-over their superannuation entitlements to other funds. My situation relates to the Government Employees Superannuation Fund (administered by the GESB) which does not allow members to roll-over their superannuation entitlements to another superannuation fund when people resign from the WA Public Service. I believe this situation also extends some other superannuation funds in the public sector.

In August 1998 I resigned from the WA Public Service. Being a member of the GESB (Gold State Super, a Defined Benefits Scheme), I enquired about rolling over my superannuation benefits to another superannuation fund.

I was advised that I cannot roll-over these funds because of a legislative constraint contained in the Government Employees Superannuation Act 1987, and that these funds:

- Are preserved with the GESB.
- Cannot be accessed until age 55 years, except in certain circumstances (resignation not being one of these).
- Cannot be rolled over to another superannuation fund.
- Earn interest at the rate of the Consumer Price index (CPI) plus 1.00% each year.

I'd like to take these funds out of the GESB (the amount in question is \$170,000) as this rate of return:

- Is extremely low and uncompetitive.
- Can easily be exceeded by other superannuation funds,
- Goes against the very nature of superannuation by not allowing a return which could reasonably provide for me at age 55 years.

I believe the specific issues here are:

- Competition is being restricted as I cannot roll-over my superannuation entitlements from the GESB.
- There is age-based discrimination as I must wait until age 55 years to access these funds. Whilst this is no different to anyone else with superannuation (except

politicians), people with funds in other superannuation schemes have access to their funds for roll-over purposes so they can maximise their final superannuation entitlement. GESB members (in situations such as mine) cannot.

- There is no choice. As I mentioned, this goes against the very nature of superannuation by not allowing me to invest and maximise those funds to provide for me in retirement.
- People who resign from the WA Public Service are unable to roll-over their superannuation, while people who have been retrenched (in most cases these are voluntary redundancies) are able to do so.
- There is no access to (at the least) to the contributions I have personally made.
- There is no access to roll-over the legislated Superannuation Guarantee (SG) component of my entitlement.

Could you please advise if your review extends to this situation.

I look forward to hearing from you soon.

Yours sincerely

(signed)

Andrew Cox

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