



Speech by

**Michael Crandon**

**MEMBER FOR COOMERA**

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## **SUPERANNUATION (STATE PUBLIC SECTOR) AMENDMENT BILL**

**Mr CRANDON** (Coomera—LNP) (3.56 pm): I rise to add to the debate on the Superannuation (State Public Sector) Amendment Bill 2009. I have a number of reservations in relation to the bill. First of all, the passing of the bill, as has been alluded to, will have the effect of membership growth for the fund. As membership of QSuper grows, will members who no longer work for the Queensland government be provided with the same levels of advice and support as those employees of the government?

It is absolutely imperative that all members receive appropriate levels of advice and support. For most, as has been alluded to already today, this investment is likely to be the only strategy to provide for their retirement years and to provide insurance protection for families. Therefore, it is imperative that some mechanism is there to ensure that they have continued advice. Assuming the answer to the above is in the affirmative, will offering an ever-increasing number of members such advice and support add to the costs that each member must bear?

Put another way, will the current systems be capable of managing the increasing numbers that can be expected? It appears to be inevitable that those numbers will grow quite substantially—as has been alluded to, the many members who leave the public sector and move into the private sector may stay on board. As their place is replaced in the public sector, there will be a significant growth. In doing so, if the systems have to be upgraded, then that in itself could lead to an additional cost to both members within the public sector and those who are now working in the private sector.

My third concern is this: is this process setting up the QSuper fund for the sales block? In other words, is the unspoken reason for the legislation a step towards QSuper being hived off—sold to a company that has shareholders, to the private sector no less? For if this occurs it will inevitably cause an increase in costs for each and every member of the fund.

It is inevitable because the first responsibility of such a company is to its shareholders. Shareholders expect to receive a dividend and they also expect to see their share price grow. I must say that over the last couple of years—certainly since I left the industry—things have gone a little bit downhill. The member for Brisbane Central also left. Perhaps it was the timing of our demise in the industry that caused the market to turn.

If we look at the reasons for the bill as outlined in the explanatory notes we see mention of the recent sale of government assets, for example airports and so forth. It is not beyond the realms of possibility that we are setting QSuper up as a limited company to allow it to also go on the chopping block, so to speak. The concern I have is that it will inevitably add a cost to each of the individual members of the fund.

Finally, I would ask this question: if in fact we are not looking to put QSuper on the chopping block, on the sales block, is it the intention of the legislation to set QSuper up so that it can pay a dividend to this government? If that is the case, once again members of QSuper would bear the cost. In effect, it would be an additional tax on members of the fund to try to shore up some of the shortfalls that the government is struggling with as we speak. Notwithstanding all of these comments, I commend the bill to the House.