




Speech By
Lance McCallum

MEMBER FOR BUNDAMBA

Record of Proceedings, 26 October 2021

**SUPERANNUATION (STATE PUBLIC SECTOR) (SCHEME ADMINISTRATION)
AMENDMENT BILL**

 **Mr McCALLUM** (Bundamba—ALP) (3.09 pm): I rise to speak in support of the Superannuation (State Public Sector) (Scheme Administration) Amendment Bill 2021, which will facilitate the creation of a merged fund that will support the futures of Queensland workers' rights across our great state. I note the Clerk's advice that members who may hold an account in either fund do not have a conflict of interest, given that membership to Sunsuper and QSuper is not an interest in common, but out of an abundance of caution I declare that I am a QSuper member.

The proposed merger between QSuper and Sunsuper will establish Australia's second biggest superannuation fund, with \$200 billion in net assets and two million members, the majority of them Queenslanders and many of them public sector workers. In our local community of Bundamba, this bill will support thousands of workers such as health professionals, teachers, first responders, customer service staff, cleaners, community support workers and road workers. The safeguards in this bill mean that the defined benefit entitlements of these public sector workers cannot be reduced and that a statutory framework for workers' contribution levels will be retained.

The merged fund will remain in Queensland, with its head office right here in the south-east. That will help anchor 2,000 jobs. This means that we will continue to build on the opportunities provided by QSuper and Sunsuper—already two of the biggest super funds in Australia—to support more local Queensland jobs. Importantly, the boards of both funds have made strong commitments around ongoing worker security. Existing employees will be protected, and Queensland will benefit as new employment opportunities emerge. Importantly, this bill ensures that the merger will also support new and existing members.

Forecast data from the funds shows that administration costs will reduce and investment performance will improve under the merged fund, meaning lower fees and higher returns for members. The funds are also being open and transparent with their members about the merger—another of the Palaszczuk government's non-negotiables when it comes to this merger. This is a government that continues to support Queensland workers, and any changes that impact member benefits, member contributions or government contributions can only proceed with the consent of the Treasurer.

Like it does now for QSuper, the government will continue to have representation on the board of the merged fund and will have ongoing access to super advice about public sector superannuation arrangements. The merged fund will continue to be the Queensland government's default super fund, and Queensland will continue to be the only state in Australia with a fully funded defined benefit scheme. As at this year's budget, New South Wales' defined benefit fund was \$68 billion in deficit, Victoria had a \$31.2 billion shortfall, and Western Australia's scheme was \$7 billion away from full funding.

To protect the government's interests in funding defined benefits, this bill provides government control over the way defined benefit money held in the superannuation fund is invested. All this means bigger account balances for members, higher retirement incomes and a further boost to economic activity across the state as our safe and strong recovery continues.

Queensland is the place to be for ongoing business investment, proven again this month with a new \$1 billion investment in our world-leading renewable hydrogen industry. Having a \$200 billion superannuation fund based here only further reinforces that this state is the preferred destination for businesses from all industries to establish and grow.

This bill supports Queensland jobs both now and into the future. It safeguards workers' super entitlements and means higher returns and lower fees for around two million members. It supports our economy and it establishes Australia's second biggest super fund right here in our great state of Queensland. I thoroughly commend the bill to the House.