



Speech By
Ray Stevens

MEMBER FOR MERMAID BEACH

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

 **Mr STEVENS** (Mermaid Beach—LNP) (12.14 pm): Obviously superannuation is a big part of workers' lives right throughout Australia. This is an important bill in terms of amalgamating two very large superannuation funds into one which will hopefully, as per the Australian Prudential Regulation Authority's desire, bring about savings to members. There are about 1.4 million members in Sunsuper, about 600,000 members in QSuper and 2,000 employees who we hope will stay in Queensland in the longer term with the headquarters being up there. The bill is well worth supporting to see this new arrangement put in place and I, along with my colleagues, will be supporting the passage of this bill.

From the outset I would like to say that I am a member of both QSuper through my job here in the parliament and I have been a longer term member of Sunsuper. In other words, I am getting amalgamated. Again, amalgamation has been a big part of my life. One question that I have which I will ask up-front—and I have received some advice back from Treasury on the matter—is in relation to life insurance. It will not benefit me much, but it may benefit some others involved in my family.

I obviously have two sets of life insurance involved with both superannuation policies. We asked Treasury about the outcome of that when they amalgamate—that is, will I have one policy or two? Unfortunately, the response from Treasury was that that would be a matter for the new board. It is not that I do not trust boards or amalgamations and all those sorts of matters, but I really would like the Queensland Treasurer to make it very clear that I will still retain all aspects of my two policies unchanged when the amalgamation has been completed and the new boards will not be able to make any alternative arrangements on my two sets of life insurance. That is being up-front in terms of declaring my personal interest on the matter, but I am representing those thousands of other Queenslanders who have interests in both superannuation bodies and I am sure that they would like that clarified as well. I think it is a very reasonable thing for the Treasurer to answer in his wrap-up later on and I look forward to a positive outcome in that respect.

In essence, the Australian Prudential Regulation Authority has basically said that trustees have not always been focused on members' best interests and added that aggregate fees and costs are too high. Insurance has not always been good value for money and there have been too many inefficiencies in the system, and that is one of the reasons this merger has been taking place since 2019. We would support more efficiencies and better outcomes for our superannuation dollar in terms of preparing all Queensland employees for their retirement to make sure that they are served well when their working life ceases. However, I cannot help but notice that there will be 13 new board members and I understand that six out of the 13 will be union officials. I understand one Mr Andrew Fraser—a former treasurer of Queensland who actually lost Queensland's AAA credit rating—will be one of those people guiding my funds. I get very nervous when I see these so-called experts in charge of my funds, particularly when that particular person led Queensland down a difficult debt alley.

While I am on my feet, I bring to the attention of the House the defined benefit scheme with QSuper which is worth \$20 billion so that public servants and politicians who were on that defined benefit scheme have an adequate retirement. I do understand the Premier is one of those persons on

the defined benefit scheme even though she came in when I did and I do not have a defined benefit scheme. I am not part of the \$20 billion payout. I understand that when the Premier leaves town she will get a meagre \$250,000 a year for the rest of her life, or whatever the defined benefit system deals out to her.

I am sure that if I moved a motion in this House that the previous members who were getting the defined benefit scheme would be not entitled to that benefit scheme, with all these members who are not getting the defined benefit scheme I am sure that motion would be carried. But we are not going to do that today. I feel it is an unequal basis of our life here in the parliament. I am sure that some of the members would support me in that particular area.

An independent auditor of the government tells us that after the scheme was raided by the Treasurer over the last couple of years—as we know, the defined benefit scheme has been touched up—that it is \$2 billion in the red. It is short of funding, despite what the chairman of our committee just said in his speech. The State Actuary, a government employee, says it is \$3 billion in the black. Who do we believe? The independent auditor or the government employee?

Mr King: The government!

Mr STEVENS: Trust the government? Good luck with that in the pub test. Trust the government! We all believe in that! The defined benefit scheme has been robbed over the last couple of years. Terry Mackenroth used a lot of taxpayers' funds a number of years ago to top up the defined benefit scheme to make sure it was covered. Our independent auditor says it is a couple of billion short. As Mark Twain famously said, there are lies, damned lies and statistics. The defined benefit scheme can be made to look like it has a positive outcome, but I will take the independent auditor's advice every day.

We have concerns in relation to the board make-up. We have concerns in terms of this government's use of the \$20 billion defined benefit fund that is in place for the retirement of public servants throughout Queensland. We are concerned about those matters, but in terms of duplication of workplace matters in those two superannuation funds, then we are seriously hoping, in the genuine interests of Queensland employees, that this amalgamation brings about identifiable cost savings. A report should come back to the parliament within the next two to three years after the merger has been completed on the savings achieved by this amalgamation and how it has benefited the superannuation of employees throughout Queensland. That would be a wonderful way to prove exactly why we are passing this particular legislation. It should come back within the next two to three years because that is when those cost savings should be identified and achieved. With those comments, I will be supporting the bill before the House.