

14 February 2020

Committee Chair (Economic References)  
Senate Standing Committees on Economics  
PO Box 6100  
Canberra ACT 2600

By email: [economics.sen@aph.gov.au](mailto:economics.sen@aph.gov.au)

Dear Committee Chair,

**Re: AustralianSuper submission to the Senate Inquiry into the unlawful underpayment of employees' remuneration**

AustralianSuper is pleased to provide a submission in relation to the abovenamed inquiry.

AustralianSuper is the largest superannuation fund in Australia and is run only to benefit its members. The best interests of over 2.1 million members (or 1 in 6 working Australians), drive our decisions. We do not pay commissions to anyone to recommend us, nor do we pay dividends to shareholders. With over \$180 billion in members' assets, our sole purpose is to assist our members achieve their best possible retirement outcomes.

We understand that the Senate Economic References Committee's inquiry relates to the unlawful underpayment of employees' remuneration. Our submission relates to one component of this problem, being non-payment of superannuation entitlements.

AustralianSuper acknowledges that this is often a component of a larger scale problem of wage and superannuation theft. In this context we reference and fully support the points made in the submission to the Committee by Industry Super Australia relating to the underpayment of employees' remuneration.

Our key concern is that when employers fail to fulfil their Superannuation Guarantee obligations, their actions have an impact on individual superannuation balances, and ultimately, on the future financial security of those individuals in retirement.

**Assistance for Members**

Superannuation funds do not currently have clear powers to ensure employer compliance with Superannuation Guarantee obligations. However, AustralianSuper has taken steps to support members to detect if they are not receiving superannuation entitlements to their account as early as possible.

Currently it is very difficult for workers to know if their superannuation entitlements have been paid by their employer because employees cannot rely on their payslip to confirm that superannuation has actually been paid into their account. In addition to making sure members know what their entitlements are and why super is important, AustralianSuper is encouraging members to be proactive and regularly check their account to ensure that a contribution has been made.

Central to this initiative is AustralianSuper's mobile application which makes it easy for members to check contributions and proactively notifies users when superannuation has been paid into their account.

### **Suggested Policy Responses**

AustralianSuper is supportive of decisive policy action to reduce the amount of unpaid superannuation owed to members, and the following measures proposed in ISA's submission:

- Ensuring that the payment of superannuation and the payment of other employee remuneration occurs at the same time.
- Better monitoring and stronger enforcement being exercised by the ATO.

If you have any questions or would like further information please do not hesitate to contact me on [REDACTED] in the first instance.

Yours sincerely

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Louise du Pre-Alba  
Strategic Policy Advocate