

The Illawarra Mercury 28 April 2011 page 19

Invisible beach flags

In the Mercury campaign story (Justice for All, April 14) Nicole Hasham points out that Assistant Treasurer Bill Shorten likened the investors who lost money in Astarra to being "caught outside the flags".

Bill Shorten needs to know that on his mythical beach there were no flags, not a single warning and certainly no indication that all responsibility from this point onwards rests with the trustee. Most importantly, not a single warnings that all of one's money invested into super can disappear.

Bill Shorten's analogy suggests the self managed super fund investors who lost money in Astarra gambled for a financial benefit. This is incorrect.

In my case I had financial advice - which debunks the self-managed title - and the advice given to me came with no warning of ineligibility for compensation if fraud occurs. Certainly the advice came without any reference to the "swim between flags to be safe".

My skill and expertise in investment is nil; that is why I was with a financial planner.

Only in March 2010 when the Australian Taxation Office provided a seminar did I learn there were different types of super funds.

The government intends to improve security for all investors so this Astarra debacle does not happen again.

Communication needs to be clear and upfront. No point in bringing up the rules after an event, particularly since those rules were not available at the time.

John Telford, Fairy Meadow

The Daily Telegraph 11 May 2011 page 57

Shorten up super

Assistant Treasurer Bill Shorten (Clean-up time for financial advisers, May 6) demonstrates the clever way the government operates.

First it looses the hard-earned superannuation investments of ordinary folk due to its poorly developed regulations. Then government points the finger at investors for not researching their investments thoroughly enough.

If it was totally the investors fault, why change the financial regulations, which it recently did.

A Government learning curve cost me all my investment, which was an injury compensation.

I feel government was instrumental in ripping off my wealth by shoddy governance.

John Telford

Fairy Meadow

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Pointless research

The article "'Investors gutted by loss" left me gutted all day. (Mercury May 30)

Mostly by what was not said.

Why would ASIC commission a study into the suffering of people who had their wealth stolen, when it could be argued that ASIC was instrumental in providing business licences to a bunch of international fraudsters in the first place?

The Susan Bell Research study must hold a morbid curiosity like the medical experiments carried out in Nazi Germany during the 1940s.

A study to convince the government DIY investors need insurance? Hard to swallow as Assistant Treasurer Bill Shorten already pointed the blame at these investors, thus indicating what the government thinks.

John Telford, Fairy Meadow.