



Industry Funds Forum Inc.

18 July 2008

The Secretary
Standing Committee on Legal and Constitutional Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Sir,

**Inquiry into the Family Law Amendment
(De Facto Financial Matters and Other Measures) Bill 2008**

I refer to your letter of the 1 July inviting the Industry Funds Forum (IFF) to make comment in relation to the proposed changes to the Family Law Act.

IFF supports the proposed changes as they will bring de facto relationships into the scope of the Family Law Act. For superannuation purposes this will mean that funds will be able to implement benefit splitting and 'flagging' for accounts for de facto couples in the same way as do currently for married couples where there is a property settlement following the breakdown of a relationship.

The legislation relies on each of the States giving their powers to the Commonwealth in relation to de facto spouses, in much the same way as they do now for the Corporations Act. In principle this is a good idea and one that IFF supports. However, there are likely to be practical issues involved in determining whether the definition of de facto has been met. This will be a particular problem at the beginning of the process, when information needs to be provided about the other party's superannuation benefits. This would need to be addressed in the Forms used to obtain the information (currently Form 6).

Current there are rules about declarations required of the enquiring spouse and Trustees must be able to rely on these in the future if they are to have the necessary confidence to release the member's information. If not it is likely that States will not cede the relevant power to the Commonwealth. There could also be issues involved in determining if the member is subject to the provisions of the legislation and these will need to be considered when the legislation has been passed and the detail is available.

IFF has not identified any new administration issues relating to the proposed changes. The process for providing information, agreeing and implementing order of this type is well established.

I have attached a profile of Industry Funds Forum for your information.

Thank you for the opportunity to participate in the discussion.

Yours sincerely,



Helen Hewett
Executive Officer

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PROFILE – INDUSTRY FUNDS FORUM INC.

WHO WE REPRESENT

F is an incorporated association made up of the Chief Executive Officers of 24 of Australia's largest industry superannuation funds (**Industry Funds**).

These Industry Funds include multi-industry and industry-specialist, national and state funds. Collectively members of IFF represent over 9.2 million accounts, almost 500,000 participating employers and manage over \$120 billion in retirement benefits¹.

Consequently the views of IFF are representative of Industry Funds and their members who are representative of average Australians.

LIST OF MEMBERS OF IFF

Superannuation Fund	Representative
AustralianSuper	Ian Silk
AUSfund	David Haynes
ASSET Super	John Paul
AustSafe Super	Craig Stevens
BUSSQ	David O'Sullivan
Cbus	David Atkin
Catholic Superannuation & Retirement Fund	Greg Cantor
Catholic Superannuation Fund	Frank Pegan
CARE SUPER	Julie Lander
FIRST Super	Graeme Russell
HESTA	Anne-Marie Corboy
HOST PLUS	David Elia
Legal Super	Andrew Proebstl
MIESF	Bill McRobert
MTAA Super	Michael Delaney
NGS SUPER	Anthony Rodwell-Ball
MEDIA SUPER	Ross Martin
REST SUPER	Damian Hill (Convenor)
SERF	Peter Robertson
STATEWIDE	Frances Magill
SUNSUPER	Tony Lally
TASPLAN	Neil Cassidy
TWU SUPER	Bill McMillin
WESTSCHEME	Howard Rosario

¹ Figures apply as at 31 December 2007