



Industry Super Funding of Union Movement in the Spotlight

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The Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry has entered its fifth round of hearings in Melbourne this week, examining the superannuation industry.

“The superannuation industry in Australia has become a playground for vested interests. Between 2013 and 2017 trade unions directly received over \$18 million from industry super funds via directors fees alone,” said Morgan Begg, Research Fellow at free-market think tank the Institute of Public Affairs.

“The problems of lack of transparency in the superannuation industry, which will be a focus of the Royal Commission, is compounded by compulsory participation in superannuation.”

“Enforced participation has ensured the assets managed under superannuation funds is now approximately \$2.6 trillion dollars and rising. This means that the consequences for misconduct in the sector are going to be significant.”



“The best way to check the abuse of power in superannuation is by empowering employees’ to make their own financial decisions.”

“Moreover, any regulations should ensure that superannuation funds are run for the sole benefit of members, and not unions or other third parties,” said Mr Begg.

[Read the IPA Report: Rivers of Gold – How the Trade Union Movement is Funded by Industry Super.](#)

[Read the IPA Report: Strangling the Goose with the Golden Egg – Why we need to cut superannuation taxes on Middle Australia.](#)

For media and comment: Evan Mulholland, Media and Communications Manager, on 0405 140 780, or at emulholland@ipa.org.au