# Media release

Australian Institute of Superannuation Trustees

**1 October 2014**

## Call to move default bank-owned super into low-fee MySuper

**The Australian Institute of Superannuation Trustees (AIST)** is calling on the Government to accelerate the release of super savings from high-fee bank-owned default super funds into lower fee MySuper products.

**AIST Executive Manager, Policy and Research, David Haynes,** said current 'grandfathering' arrangements – which have effectively locked-up billions of dollars of super savings until 2017 - mean hundreds of thousands of consumers are paying higher fees for their super and missing out on the benefits of the MySuper reforms.

"AIST estimates that there are tens of billions of dollars of default superannuation that are outside the MySuper environment because of these grandfathering arrangements," Mr Haynes said. "A large part of the super savings pool is not getting the benefit of the lower fee MySuper environment. This is not only discriminatory; it is not in members' best interests."

Noting that the Financial System Inquiry (FSI) has raised concerns about fee levels in superannuation, AIST wants to bring forward the final transition date of 30 June 2017, at which all default super savings must be moved to a MySuper product.

"While MySuper has already brought about lower fees, we won't know the full benefits until all default super is moved to MySuper," Mr Haynes said. "Given the current focus on fees in superannuation, members of bank-owned super funds shouldn't have to wait until 2017 for these fee reductions to occur."

In its submission to the FSI, AIST has called for a review of the effectiveness of the MySuper reforms, once all default monies are transitioned.

**Media enquiries:**

**AIST Executive Manager, Policy and Research, David Haynes: 0429 029 230**

**AIST Executive Manager, Media, Janet de Silva: 0448 000 499**

***AIST is the peak industry body for the $600 billion not-for-profit super sector which includes industry, corporate and public sector funds.***



AIST
Ground Floor
215 Spring Street
Melbourne VIC 3000

**T** 03 8677 3800
**F** 03 8677 3801
**E** info@aist.asn.au
**W** www.aist.asn.au