

Dear Mr. Sherry and Members of the Retirement Income Review Committee,

We are writing to express our strong views regarding the Retirement Income Review you are about to undertake. Our views on this matter as SMSF Trustees & also retirees are as follows:

- 1) The superannuation system needs to maximize incentives for self reliance in retirement savings. The social benefit is to reduce in proportionate measure reliance on the Government and future generations for retirement income support.
- 2) To this end, we support the current superannuation tax concessions as being essential to retirees. The tax- free withdrawal of superannuation benefits for those aged 60 and over is a critical concession that should be maintained in the future.
- 3) Reducing the costs and complexity to Superannuation Members can best be achieved by promoting fair competition between Superannuation Funds. Open, transparent competition will make all Superannuation Providers more accountable to members. SMSF's are critical to effective competition in the overall superannuation sector. SMSF's promote self reliance in retirement saving by delivering choice, flexibility and control to individuals.
- 4) The non-SMSF sector is seeking to impose greater regulation on SMSF Trustees. Such change is driven by anti competitive motives. Greater regulation of SMSF's will add to complexity for members and become a disincentive. Existing regulation of SMSF's is absolutely sufficient as it stands now. In addition, the imposition of mandatory training courses would discriminate against Trustees located in regional and rural areas. Many non-metropolitan trustees would face difficulties in accessing course providers in their region.

In our experience, most SMSF's are managed well and honestly. It is our life blood and we have no other choice but to manage it well. Please leave SMSF's alone. It is the Financial Advisors who need to be made to toe the line and provide honest and open advise and reasonable/fair fee structures. Financial Advisors should be the target of your review - that is where regulation is badly needed.

Thank you for your time in reading this brief submission and giving it your consideration.

Regards,

Tom Redmond and Ray Smith