

Public DEFENDER

John Rolfe

\$1.2 trillion
amount Australians
have in super



email me
publicdefender@dailytelegraph.com.au
join my blog
dailytelegraph.com.au
follow me on twitter
twitter.com/public_defender

Please help!

I need some legal advice

The super failures

How has your retirement fund performed in hard times?

HUNDREDS of thousands of Australian workers have missed out on serious money over the past five years because of shockers by their super fund managers.

About 26,000 members of the poorest-performing large “balanced” investment option — BT’s Lifetime Super Employer multi-manager product — would have been no worse off had the highly-paid “experts” in charge of their money simply left it under the desk.

These workers’ \$700 million of savings have returned just 0.1 per cent a year for the past five years, according to SuperRatings. Incredibly BT has another fund in SuperRatings’ bottom five.

The “BT Business Super — Westpac Balanced Growth” option has gained just 1.6 per cent a year for the past five years. There’s more than \$2.1 billion invested in this option on behalf of 160,000 Australians.

The option’s rate of return is half the rate of inflation, meaning that these workers’ retirement funds have less purchasing power now than half a decade ago.

BT said it brought in new managers last year. The second-worst performer was Spectrum Super’s United Capital Growth option, which contains nearly \$500 million and has delivered a return of just 0.5 per cent a year. Spectrum is part of IOOF.

In real terms — that is with the rate of inflation deducted — the tens of thousands of people in this fund have experienced a reduction in their retirement savings.

The third-poorest performer (0.9 per cent a year) was a South Australian industry fund, Statewide.

Fourth was Axa’s “Super Directions for Business” multi-manager balanced option, with a return of 1.4 per cent a year. About 80,000 people are in that product. That BT Business product was fifth from bottom.

The best of the 49 big balanced options monitored by SuperRatings was OSF Super’s 5.8 per cent — twice the rate of inflation. The fund’s “delighted” chief investment officer Gerard Parlevliet said it had less money in shares. OSF is part of CBA’s Colonial First State.

“Our focus has been long-term investment strategies,” Mr Parlevliet said.

Today I’ll be blogging on how to change from a poorly performing fund. And our new legal eagle, Maurice Blackburn’s Rebecca Gilsenan, will answer legal questions about super.

Time to cut your losses

STEVEN RYAN paid online retailer Ozdirect \$1800 for a television last year. The TV never arrived.

He took Ozdirect to the Consumer, Trader and Tenancy Tribunal of New South Wales.

Ozdirect didn’t show.

The CTTT made an order in Mr Ryan’s favour to cover his losses. But to get his money back, Mr Ryan had to supply the NSW Sheriff with a current address for Ozdirect’s director so it could pursue the losses.

However, the company and its director have vanished. What can Mr Ryan do?

Stranded by total air of indifference

MARCIA Scally’s Air France flight from Lisbon to Paris was delayed by weather two weeks ago. It meant she and her 23-month-old twins Ashton and Tomas missed their Emirates flight to Sydney.

The airlines left Mrs Scally stranded. Her Sydney travel agent is not without blame, either — her flights had separate reference numbers, allowing Air France off the hook.

Emirates told her it would be six weeks before it could get her economy seats. She could fly Business in three days — if she paid the difference.

Mrs Scally suggested Emirates upgrade two others, allowing her to fly economy with one twin on her lap and the other in the seat beside her.

Emirates dismissed this. Yet it told me it “tries to make allowances for passengers affected by travel situations beyond their control”. It didn’t here.

Emirates overcharged Mrs Scally more than \$2000. Yesterday, Emirates admitted to me its “regretful” error and the Scallys will be refunded. That still leaves the family more than \$4000 out of pocket.

Emirates should pay that back, too.

To make matters worse, just before the flight home Ashton accidentally slammed a door on Tomas’ thumb, severing it.



Air woes: Marcia and Steven Scally with twin sons Ashton and Tomas

Picture: Jeff Herbert

Have your legal queries answered on our blog with Maurice Blackburn legal expert Rebecca Gilsenan at noon today



STEVEN, you would be within your rights to seek a legal action against the director in a local court but if you can’t track him down or can’t afford the legal expense, you won’t get your money. You could try and highlight Ozdirect’s dishonesty and help to ensure that it didn’t happen to someone else.

You could consider hiring a private investigator to try to track down the director but you should consider whether it is worth spending any more time and money chasing after someone who is clearly shonky and keen to avoid their responsibilities.

Even if located, the director might not have the money to pay the debt.



Compensation is more than just a number.

An extra ten percent on your compensation agreement could mean the difference between being able to pay your mortgage or rent, or living with the stress of trying to keep your own home. Which is why we’ll fight hard for that bit extra, to get you a long-term solution not just short-term assistance. Because at Maurice Blackburn, we fight for fair.

We fight for fair.™

Call 1800 235 203

or visit mauriceblackburnsw.com.au

Maurice Blackburn
Lawyers
Since 1919