



ORGANISERS' SUPER TOOL KIT

WHY INDUSTRY FUNDS WORK FOR UNION MEMBERS

The union movement won compulsory employer-paid superannuation through national worker-led campaigns. The superannuation system is today one of the labour movement's proudest achievements. Industry super funds have grown to be the largest, best-performing, and best-governed parts of the sector. Being in the right super fund could make a big difference to the money your members have in retirement. It could dramatically impact their ability to retire and their standard of living in retirement.



Need support?

Contact ACTU on
1300 486 466
www.actu.org.au

Industry Super Funds protect members'

1. Key features of Industry Funds

Industry Funds were created in the 1980's to protect workers from the high fee products that plagued retail funds and threatened workers retirement savings. Industry Funds only operate to profit members' and have never paid commissions. They are governed by Trustee Boards with unions and employer organisations. Their support for board diversity also means that they are in touch with the needs of members.

2. Industry tailored Insurance

Industry Funds provide high quality insurance suited to your member's needs. Unions care about their members and want to know they are adequately insured. Industry tailored group insurance is cost effective, provides cover which many workers would otherwise not have access and provides peace of mind. This is critical for all workers and in particular our members in hazardous occupations such as building and construction workers, truck and delivery drivers, miners, health, caring and emergency service workers.

3. Low Fees

Industry Funds charge low fees. They know that every fee impacts a members' retirement outcome. Unlike a retail fund that needs to generate a profit for its shareholders, profits from industry funds go to members. These low fees reflect the efficiencies and priorities of industry funds to support the best interest of members.

4. Investment in Jobs

Industry Funds are committed to investing in jobs. Long term infrastructure, businesses and services investments in Australia create jobs and grow a strong economy. They invest in the industries that your members' work in. This investment in workers' jobs helps build real investment returns for a more secure retirement.

5. High Performance

Industry Funds on average perform better than retail funds, meaning you could be thousands of dollars better off in retirement.

Timeline for 12% superannuation

Increasing the super guarantee to 12 per cent will lead to a bigger economy, more jobs, and higher real wages and incomes. It will deliver a more secure retirement for workers.

It is law that there will be a phased increase in the minimum Superannuation Guarantee (SG) contribution for all workers to 12% by 1st July 2025.

Superannuation Guarantee

Current	1 July 2022	1 July 2023	1 July 2024	1 July 2025
10.0%	10.5%	11.0%	11.5%	12.0%

NOT PAYING THE EXTRA SG
IS WAGE THEFT

STEPS FOR AN ORGANISER

- Workers need to know they are to receive a SG increase each year until they are receiving 12%.
- We need to ensure workers check their payslips whenever these changes become effective and ensure they let their Organiser know if they do not receive the increase.
- When negotiating EBA increases ensure that each SG increase is an addition to real wages and does not reduce take home pay.
- Unions should bargain for more than the minimum SG where they can, to ensure members retire well.

Refer to
ACTU Bargaining for
Super Guide



A portrait of a middle-aged woman with short, dark, curly hair, wearing a white collared shirt. She is looking directly at the camera with a slight smile. The background is a blurred outdoor setting with greenery and a building.

TIPS TO IMPROVE YOUR MEMBERS' RETIREMENT

HERE ARE 5 SIMPLE AND VALUABLE ACTIONS THAT CAN MAKE A REAL DIFFERENCE:

1. Join your workplace Industry Fund that supports you and the industry you work in through your working life.
2. Maintain only one super account and make additional contributions if you can.
3. Choose an investment strategy that suits your risk profile.
4. Protect yourself with adequate insurance.
5. Stay actively engaged with your superannuation – get advice and plan your future retirement.

1/ Join your workplace Industry Fund

It is important to join the right Industry Fund for your work circumstances and aspirations. Whilst this may be different for everyone, it is important you make an informed decision about the fund that is right for you. This will often be your workplace default fund. You may need to consider your occupational risk for insurance purposes, the fees you are paying, and the fund's real return. Make sure you look at this over both the short and long term. Funds will show returns on their website over periods ranging from 1 year to 10 years so that you can compare.

2/ Consolidate your accounts and topping up super

It is important to consolidate your superannuation accounts, ensuring you are only paying one set of fees. Combining multiple super accounts into a one single fund also assists in growing your super faster. Industry super funds will track down lost super for members and can consolidate them into a single fund to maximise member benefits.

Salary Sacrifice can provide benefits to workers' superannuation balances by minimising taxation implications. Remember that the Super Guarantee is set to rise to 12% which is more money invested for your retirement. It is important to know the superannuation concessional caps that apply.

After-tax contributions can make a big difference to retirement savings. However, it is also important to know the amount you can contribute each year and the many ways it can be optimised for a more secure retirement outcome.

Consider whether you may be eligible for the government's superannuation co-contribution, or a tax-offset for spousal contributions.

3/ Choose an investment strategy to suit you

Industry super funds will work with members to determine the most appropriate investment options and asset selections, based on your risk profile, expected returns and investment timeframes.

4/ The right Insurance

Most industry super funds provide insurance automatically. Members can top this up with increased cover at competitive rates – and the premium can be paid from the super account, not directly out of members' pockets.

This cover can provide a level of protection if you die or become ill or injured. Eligible members can also access other forms of insurance, namely income protection and aged based Death, Total & Permanent Disablement (TPD) cover.

It is important to review your insurance needs regularly as our life circumstances change. Speak to your Fund about how they can provide assistance.

5/ Financial and retirement planning

Superannuation represents a significant long-term investment that workers need to understand and review on an ongoing basis. Most industry super funds offer fee-for service financial advice – with no strings attached – no commissions or hidden or ongoing fees. They can explain and organise strategies that are income and tax-effective for you.

Consider your own objectives, financial situation and needs before making a decision about superannuation because they are not taken into account in this information.

TOP 10 BEST & WORST FUND PRODUCTS

The current rolling 10-year return to March 2021 shows that the **Top 10 Best and Worst Fund products** in alphabetical order:

Best

FUND	TYPE	PRODUCT
AustralianSuper	Industry	Balanced
AustralianSuper	Industry	Socially Aware
Cbus	Industry	Growth
CareSuper	Industry	Balanced
Hostplus	Industry	Balanced
Super SA	Public	Triple S - Balanced
Vanguard	Retail	Growth Index Fund
VicSuper	Industry	Future - Saver – Socially conscious Option
UniSuper	Industry	Accum (1) – Balanced
UniSuper	Industry	Accum (1) – Sustained Balanced

Worst

FUND	TYPE	PRODUCT
AMP	Retail	AMP Balanced Growth
AMP	Retail	AMP Future Directions Balanced
ANZ	Retail	ANZ Super Adv – OnePath Managed Growth
CFS FC	Retail	First Choice Moderate
Cruelty Free Super	Retail	Cruelty Free Growth
OnePath	Retail	OA Frontier – OnePath Managed Growth
OnePath	Retail	Integra – OptiMix Balanced
OnePath	Retail	Integra – OnePath Managed Growth
OnePath	Retail	Zurich Managed Growth NCF
Zurich Super	Retail	Accum (1) – Sustained Balanced

Source: ISA analysis of SuperRatings Fund Crediting Rating Survey, March 2021. Analysis limited to products with 10 years of performance data.

We need to ensure our members are properly protected by a strong superannuation clause in their Enterprise Agreement. Under the *Fair Work Act* we simply cannot just rely on the Award. Please refer to the ACTU's Model Clause Guide.

Industry
Super
benefits
ALL
members



5 SIMPLE STEPS TO SECURE YOUR MEMBERS FUTURE

1

Use the model superannuation clause from the ACTU Bargaining for Super Guide

2

Plan to include super in upcoming campaigns

3

Get help with educating members from an industry super fund

4

Inform your members about their super entitlements and retirement needs

5

Use superannuation as an extra benefit for members to aid union growth