



HESTA is run to benefit members - not to profit from them



HESTA is the only fund dedicated to health and community services

HESTA Submission- Early release of superannuation benefits February 2018

Early release of superannuation benefits

Under compassionate and financial hardship grounds and for victims of crime compensation

HESTA welcomes the opportunity to submit a response to the consultation paper on early release of superannuation benefits distributed in December 2017.

About HESTA

HESTA is an industry superannuation fund, established in 1987 to provide retirement benefits for workers in the Health and Community Services Sector, and we operate only to benefit members. We have over 840,000 members and manage over \$42 billion of members' assets.

The typical HESTA member is aged 43, is female and has a balance of approx. \$19,000 in superannuation.

Because of our traditional industry base our members are:

1. More likely to live for five years longer than an average Australian male
2. More likely to suffer the inconsistencies and discrimination of the gender pay gap
3. More likely to take time out of the workforce on periods of unpaid leave
4. More likely to be at risk of poverty in retirement.

Our mission is to make a real difference in the retirement outcome of every member. The settings of the system impact our members, both in the way they enter and interact with superannuation.

We have made comments on various areas of the consultation paper that we believe are most relevant to the retirement outcomes of our members. We have also added some discussion on the taxation arrangements of early release as we believe they warrant the attention of the Government.

We welcome the opportunity to discuss the submission further, should you have any queries please contact Mary Delahunty, General Manager Social Responsibility 03 8660 1673 mdelahunty@hesta.com.au

Principles underpinning early release

HESTA agrees there should be guiding principles to provide a framework the review into early release. We recognise that it is a difficult area of policy as there are inherent trade-offs between genuine immediate need and long-term needs.

Although there has been some recent publicity about the possible manipulation of early release for the provision of medical services, it is worth noting that the superannuation system is close to \$2.6 trillion and the amount accessed early is small in context.

We agree that superannuation should never be used as a proxy for social security and other government assistance. This is especially critical in the policy areas of health, human services and crisis relief.

We make the following observations about the proposed guiding principles:

1. Preservation:

We agree that superannuation benefits should generally be preserved to provide income in retirement to substitute or supplement the Age Pension.

2. Genuine hardship:

We agree that there will be certain circumstances where the benefits of early access to superannuation will exceed the benefits of preserving balances until retirement.

3. Last resort:

The Government suggests through this principle that all other sources of financial support should have been exhausted before early release of superannuation should be considered. Further, the Government notes that early release of preserved monies is not intended to be a substitute for existing health and income support policies.

We think this principle needs further thought, at best it is rendered redundant by the first two principles, at worst it fails to consider timing of other support services. This may also mean a consideration of asset sales should precede early release when, in fact, a well-used ground of early release is to meet mortgage payments in the case of genuine hardship. HESTA believes using this as a guiding principle may have unintended consequences for any resulting legislative process. We recommend that this principle be removed and that early release be considered on the grounds of genuine hardship and where the immediate need clearly outweighs the aim of preservation.

4. Fair and effective:

We agree that the rules should be administered fairly and effectively to ensure claims are dealt with in a timely fashion. We would add that there should be consideration of the consistency of application of these rules within the industry and assessing partners.

Many funds currently do not offer early release which leads to a transfer of funds and an immediate withdrawal from the new fund. This cost shifting is unfair to the majority of funds who offer early release consistent with the legislation.

**Recommendation:
That the principle of "last resort" be removed.**

HESTA experience of early release

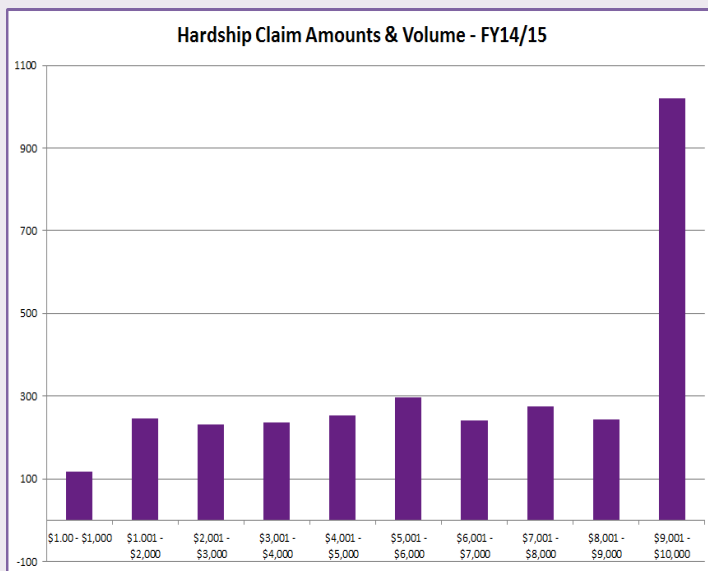
Through our commitment to financial inclusion, we are further exploring the sector's responsibility to vulnerable members.

We began to examine our hardship processes with the aim to understand how we can best help our members who are experiencing financial constraints – regardless of their possibility of meeting the legal hardship hurdles.

We gathered the following data for 14/15.

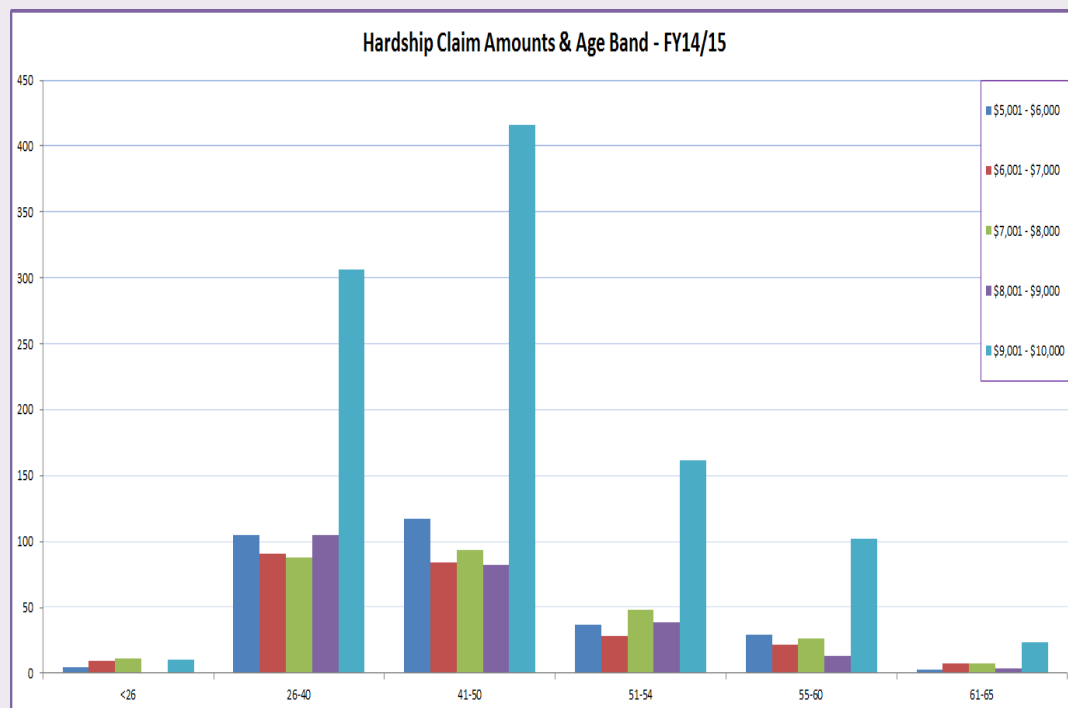
For the financial year 2014/2015, HESTA received a total of 3,159 requests for early release.

- 66% were for amounts greater than \$5,000; of which
- 49% were for the full amount of \$10,000



Of the 66% received for amounts greater than \$5,000:

- 35% were for members aged 26 to 40; and
- 40% were for members aged 41 to 50; and
- 16% requests were for members aged 51 to 54; and



Our early release figures are compounded by rollovers from funds who currently don't offer the service. This creates unnecessary churn in the industry and should be a matter of consideration for any legislative change.

For HESTA to process an early release involves several people's time possibly many hours for each case including review. It involves our external administrator possibly several times on one case.

The costs incurred for this are distributed across our membership base, when this cost is born by our members simply because another fund has chosen to opt out of the service it becomes a matter of fairness. Churn in the industry is often the focus of regulators and enquiries, this adds to the churn and eventually all consumers of superannuation are worse off because of it. It most certainly should not be the choice of individual funds to allow early access.

It is noted that the consultation paper makes reference to questions on consistency of fund's interpretation of potentially subjective terms in the current legislation. Unfortunately, the consultation paper does not make any reference to the inconsistency of funds actually allowing

early access. Consistency of processes should begin with fund consistency in their application of the legislation. We strongly recommend that this be a feature of any new regulations.

Through our experience we are also aware of the role intermediaries can play in early release and this may speak to the higher successful claims. Intermediaries are encouraged through IVF clinics Lawyers, Private enterprise – www.releasemysuper.com.au who are paid from the super monies they are able to help release. We understand that these intermediaries charge a flat fee to help members through the application process. This places additional burden on funds whose processes are swift and well established. It is likely that we are selected by intermediaries adding further costs pressures to our members.

It is disappointing to see the intermediary market established at all. If there was consistency of application and consistency of process it would be unnecessary for members facing genuine hardship to have to part with significant amounts of money for an intermediary to intervene.

Recommendation:

That all superannuation funds be required to offer early release of preserved money.

Victims of family violence

HESTA recommends that the existing compassionate ground early release mechanism be amended to include family violence.

There are rare life events where limited access to super to cover short-term financial needs are more compelling than the need to preserve super for retirement income needs. These *compassionate grounds* currently include mortgage payments to stop the bank from selling your home, to fund needed medical treatment and palliative care and to pay for a dependant's funeral.

While HESTA strongly supports the calls by the community sector to provide better funding to support women facing family violence, as a last resort we believe that members should be able to access their super under compassionate grounds mechanisms. The proof requirement we propose is certification from a recognised social or community sector worker attesting to the existence of family violence circumstances and financial need.

The wording of proposed changes are as follows:

Amend SIS Regulation 6.19A to include an additional clause after 1(e):¹

"Costs associated with the person a member seeking goods or services related to provision of support where they are the victims of family or family violence or financial abuse by a domestic partner."

Amend Regulation 6.19A to include an additional paragraph after paragraph (6)

The Regulator cannot be satisfied that money is required to seek services or support associated with family violence unless a recognised social worker or community organisation certifies that:

(a) the person is experiencing a situation of family violence, which threatens the person's physical or mental wellbeing; and

¹ Australian Government Federal Register of Legislation. (2018). Superannuation Industry (Supervision) Regulations 1994. Division 6.3-Cashing of Benefits. Retrieved from <http://www.legislation.gov.au/Details/F2017C00511>

(b) the costs relate to the person obtaining goods or services related to provision of support where they are the victims of family violence or financial abuse by a domestic partner.

HESTA will also continue to be a strong advocate for policy change to improve women's economic security in retirement

It is widely recognised that family violence results from deep gender inequality in Australia. Retirement income policy is unfortunately a long way from ensuring equality in economic security in retirement for women.

HESTA has been an effective and vocal influencer of government policy on behalf of our members. For instance, HESTA (with the help of many of our members) successfully campaigned to ensure that a tax concession for low-income earners – the LISTO – was retained. HESTA will carry on its work on behalf of our members to ensure that the system continues to improve retirement outcomes for our members and, in particular, to close the wide differential in typical outcomes for men and women.

There has been an increasing awareness of the endemic levels of family violence in Australia over recent years. Between 80 and 100 women die at the hands of a male partner each year. One in four women have experienced family violence.

HESTA's more than 840,000 members are predominantly women. Our members and contributing employers work in the health and community organisations that provide frontline support to women seeking safety, support and a life beyond violence and abuse. Tragically, HESTA members are among those who have been murdered by their husband or partner.

The financial impacts of family violence on victims and survivors are enormous and disadvantage women over both the short and long term. As was so powerfully articulated by Rosie Batty, "family violence happens... no matter how nice your house is". Regardless of prior economic circumstances, family violence will often leave women exposed to financial risk, debt, poverty, disrupted work patterns and increased risk of homelessness.

Financial abuse is nearly always present where there is family violence, and this typically prevents a woman from accessing family assets and social security payments that could help her find safety or support.

For HESTA, constructive participation in the broader efforts by the community sector to raise awareness of and tackle the causes of family violence, and improve support mechanisms for women, is a high priority and builds on HESTA's Financial Inclusion Action Plan.

Recommendation:

Amend SIS Regulations to add family violence as an additional compassionate ground.

Further extensions of early release

We recommend that early release on compassionate grounds should be extended to members who are renting, as well as home owners. This should not diminish the importance of the current rental assistance packages and should not be considered a replacement for the broader societal responsibilities of fighting homelessness.

However, the principle of this condition is that money is urgently needed so the member is not at risk of homelessness. That risk is not diminished if they are renting or paying a mortgage.

Anecdotally, we are aware that many of the member communications we receive asking information about early release do not meet the release criteria because they are not home owners.

It has been well reported that home ownership rates are declining, it is entirely appropriate that this provision be extended to meet more contemporary challenges of our members.

Recommendation:

Extend the early release considerations to include renters.

Taxation of early release

We strongly recommend the Government extend this discussion to include a consideration of the appropriateness of the revenue generated from superannuation money released early. We refer specifically to the following sections of the Income Tax Assessment Act:

INCOME TAX ASSESSMENT ACT 1997 - SECT 301.35 ²

Superannuation lump sum--taxable component taxed at 20%

(1) If you are under your * preservation age when you receive a * superannuation lump sum, the * taxable component of the lump sum is assessable income.

Note: For **taxable component**, see Subdivision 307-C.

(2) You are entitled to a * tax offset that ensures that the rate of income tax on the * taxable component of the lump sum does not exceed 20%.

Note: If your lump sum includes an element untaxed in the fund, see Subdivision 301-C.

A flat tax rate of 20% on release of money when a member has proven genuine hardship seems unusually cruel. The method is regressive and the rate arbitrary.

As the Government would be well aware, the preserved money has already been taxed when it was received as a contribution at 15%. Making the total tax for money that has been released early at 35%.

If we consider the current tax rates, this means those members suffering genuine hardship pay an equivalent effective tax rate on their own money as those in the highest income bracket.

² Australasian Legal Information Institute. (2018) Commonwealth Consolidated Acts. Retrieved from http://www5.austlii.edu.au/au/legis/cth/consol_act/itaa1997240/s301.35.html

Resident tax rates 2017–18

Resident tax rates 2017–18

Taxable income	Tax on this income
0 – \$18,200	Nil
\$18,201 – \$37,000	19c for each \$1 over \$18,200
\$37,001 – \$87,000	\$3,572 plus 32.5c for each \$1 over \$37,000
\$87,001 – \$180,000	\$19,822 plus 37c for each \$1 over \$87,000
\$180,001 and over	\$54,232 plus 45c for each \$1 over \$180,000

The above rates **do not** include the Medicare levy of 2%.

Source – ATO

<https://www.ato.gov.au/Rates/Individual-income-tax-rates/>

HESTA believes money released from the system early in the cases of genuine need should not carry an extra tax burden than has already been paid.

The same principle that applies to early release on the grounds of terminal illness, should apply across all early release grounds:

INCOME TAX ASSESSMENT ACT 1997 - SECT 303.10³

Superannuation lump sum member benefit paid to member having a terminal medical condition

(1) This section applies to a * superannuation member benefit that:

(a) is a * superannuation lump sum; and

(b) is:

(i) paid from a * complying superannuation plan; or

(ii) a * superannuation guarantee payment, a * small superannuation account payment, an * unclaimed money payment, a * superannuation co-contribution benefit payment or a * superannuation annuity payment.

(2) The lump sum is not assessable income and is not * exempt income if a * terminal medical condition exists in relation to you when you receive the lump sum or within 90 days after you receive it.

³ Australasian Legal Information Institute. (2018) Commonwealth Consolidated Acts. Retrieved from http://www5.austlii.edu.au/au/legis/cth/consol_act/itaa1997240/s303.10.html

Note: For a lump sum you receive in the 2007-08 financial year, the period of 90 days may be extended until 30 June 2008: see section 303-10 of the [Income Tax \(Transitional Provisions\) Act 1997](#) .

The application of a flat, high tax materially erodes the amount a member suffering genuine hardship will actually be able to use. We believe this should be urgently reviewed.

Recommendation:

The Income Tax Assessment Act 1997 should be included in the review of superannuation early release discussion paper.

Recommendation:

Money released early for cases of genuine hardship should not be subject to a flat, regressive release tax.

Early release on the grounds of severe financial hardship

It is noted that the high barrier to proof of severe financial hardship – being 26 weeks of continuous eligible Commonwealth income support payments, is most likely responsible for the consistency of the quantum of money released in this category.

We agree that this measure does represent continuous hardship but it does not reflect contemporary unstable working arrangements. In the health and community services sector there is a body of research on the rise of the “gig” economy. Where jobs may be given in an ad hoc manner and work is unreliable and unstable. Taking a small job on an ad hoc basis is unlikely to relieve severe financial hardship but does represent an interruption to Commonwealth income support payments. The test represents a very high barrier and potentially does not meet the spirit of the principles of early release.

Recommendation:

That the 26-weeks of continuous eligible Commonwealth income support payments be considered in light of the growing number of people working in casual and / or unstable work arrangements that may mean they are still experiencing severe financial hardship.

Victims of crime compensation

We believe that in very limited circumstances, it is not unreasonable for victims of crime to access to the perpetrators superannuation.

It is crucial that current victim compensation schemes be the primary resource for victims regardless of the crime.

Superannuation is an attractive asset to consider as compensation but this has the potential to create further reliance on the social security system for other beneficiaries.

We believe there is merit in considering access to superannuation in cases of family violence or other crisis situations where the victim has had to access their superannuation as the result of the crime.

To use the example of a family violence victim – if a member of HESTA accesses \$10,000 from their superannuation account to meet their immediate needs and move on from a violent situation. It is reasonable that they then be able to replace that sum with the same amount from the perpetrators account.

This protects the role of the taxpayer in the superannuation system as the money then stays preserved for her retirement.

This situation could also be extrapolated to where the crime is related to the superannuation received. Superannuation is related to wages earned, if those wages are as a result of criminal activity we believe there is some merit in considering that preserved money to be released to victims of that crime.

This is a complex area of discussion which should be considered on a separate, yet related set of principles.

We recommend further exploration as to how this might be administered to ensure victims of family violence especially, can recoup losses they are forced to incur do to a violent crime.

Recommendation:

Further exploration of victim compensation particularly in the area of family violence.

Conclusion

We welcome discussion on the early release of superannuation and feel this is an important area of attention for the government.

Crucially, we believe the following recommendations should be noted and further explored:

1. That the principle of **last resort** be carefully considered with a view to avoiding unintended consequences as listed above. The spirit of preservation and understanding the true intent of super is captured in the other principles. To include "last resort" in a blanket approach could mean that all avenues of financial assistance should first be exhausted, which may include asset disposal. This may be detrimental to a member's long-term financial well-being, with potential for the negative impact to considerably exceed that of accessing part of their super early.
2. That all superannuation funds be required to offer early release. Consistency in the allowance of early release is an important element to ensure we are not building in more costs for members. The lack of consistency creates churn and unnecessary burdens on fund members who uphold the regulations.

3. That the grounds of early release be extended to include victims of family violence. Despite the moral hazard this recommendation contains, this could prove a crucial component for a victim to escape a violent situation and re-enter the workforce, thus adding to their ability to provide for their retirement.
4. That the Government turn its mind to a consideration of the tax on early release as a part of the consultation.
5. That money released to members in the case of genuine hardship not be subject to a flat, regressive and outrageously high tax rate. If a member meets the high hurdles in place either now or under any new grounds for hardship, the tax recouped should certainly not exceed the effective tax rate of the highest income bracket. This is not a disincentive, it is a disappointing revenue stream for the government which should be immediately reconsidered.
6. That victims of crime, particularly victims of family violence, be able to recoup any early released superannuation from the perpetrator's account. We believe this is an appropriate consideration for the Government and protects the role of the taxpayer by keeping the preserved money within the superannuation system.

We welcome the opportunity to discuss our submission and the recommendations contained within further.⁴

⁴ This submission is made by H.E.S.T. Australia Limited ABN 66 006 818 695 AFSL No. 235249, Trustee of Health Employees Superannuation Trust Australia ('HESTA') ABN 64 971 749 321. The content of this submission is information only, and it not is intended to be taken as financial, legal or any other advice, and should not be relied on as such. This submission includes information taken from sources considered reliable. While every attempt has been made to ensure the accuracy and reliability of the information, it is not guaranteed in any way. This submission is based on information available at 12 February 2018. For more information about HESTA products you should read the relevant Product Disclosure Statement (call 1800 813 327 or visit hesta.com.au for a copy), and consider any relevant risks hesta.com.au/understandingrisk.

References

- Australian Government Federal Register of Legislation. Cited 12/02/2018. Superannuation Industry (Supervision) Regulations 1994. Division 6.3-Cashing of Benefits. Retrieved from [http:// https://www.legislation.gov.au/Details/F2017C00511](http://https://www.legislation.gov.au/Details/F2017C00511)
- Australasian Legal Information Institute. Cited 12/02/2018. Commonwealth Consolidated Acts. Retrieved from http://http://www5.austlii.edu.au/au/legis/cth/consol_act/itaa1997240/s301.35.html
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family violence

Message from our CEO

It's vital that as a community we take urgent action to fight the prevalence of family violence in Australian society. Tragically, each year, on average, family violence claims the life of one woman a week who is killed by a partner or former partner.*

As a society we need to do more to support those seeking to escape or recover from abusive relationships.

With over 840,000 members across Australia, 80% of who are women, HESTA is determined to play its part.

Finances are too often a barrier for women trying to leave a violent relationship. Unfortunately, current financial support is woefully inadequate. Family violence is one of those rare situations where short-term financial needs are more compelling than the need to preserve super for retirement. That's why we approached the Federal Government in June last year to change super rules to allow family violence victims and survivors, as a last resort, to access up to \$10,000 of their super.

However, if early access to super is made available in these circumstances it's vital that we get the implementation right. It's important to have adequate safeguards in place, while allowing for the release of urgently needed money in a timely manner. We also want to ensure any proposed change doesn't place undue administrative burdens on already stretched service providers. With this in mind, we've consulted a range of specialist family violence support service providers and experts in financial counselling on how best to achieve and implement this change.

It's important that accessing super be an interim measure and another tool that we can use to stem this tragic loss of life. Women should not have to access their super to rebuild their lives or escape violence and abuse. It is the role of all levels of government to provide adequate support and services for victims and survivors.

Likewise, their retirement outcome shouldn't be negatively impacted. So, it's important that we don't look at early access to super in isolation. Access to justice both in terms of property splits and restitution and compensation for victims of crime should also be considered.

We strongly support the super of perpetrators of family violence being made available to pay compensation or restitution to victims of their crime. These payments should also restore any monies a victim or survivor of family violence may have used from their own super.

We welcome the Federal Government's subsequent announcement of a review of the rules governing the early release of superannuation benefits. Rules around the early release of super have not changed since 1997, and it's timely that a comprehensive review be conducted. We look forward to providing a submission to Treasury and encourage others in the health and community services sector to also take this opportunity to share their views.

About HESTA

Here for you

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1. More likely to live for five years longer than an average Australian male.
2. More likely to suffer the inconsistencies and discrimination of the gender pay gap.
3. More likely to take time out of the workforce on periods of unpaid leave.
4. More likely to be at risk of poverty in retirement.

Our mission is to make a real difference in the retirement outcome of every member. The settings of the system impact our members, both in the way they enter and interact with superannuation.

Our proposal for accessing super

HESTA recognises that there is nothing desirable about accessing superannuation early, often it is the last resort for already vulnerable individuals. We also believe that accessing super should be an interim measure and that it is the responsibility of government to provide adequate financial and other support for victims and survivors of family violence.

As part of this proposed change, HESTA also insists that Centrelink not regard accessed super as assessable income, further impacting a victim's ability to leave or recover from a violent situation.

HESTA proposes that the existing compassionate grounds early release mechanism be amended to include family violence.

These *compassionate grounds* currently include mortgage payments to stop the bank from selling your home, to fund needed medical treatment and palliative care and to pay for a dependant's funeral.

While HESTA strongly supports the calls by the community sector to provide better funding to support women facing family violence, as a last resort, we believe that members should be able to access their super under compassionate grounds mechanisms.

The proof requirement we propose is certification from a recognised social or community sector worker attesting to the existence of family violence circumstances and financial need.

Recommendation

Amend SIS Regulations to add family violence as an additional compassionate ground

Amend SIS Regulation 6.19A to include an additional clause after 1(e):

"Costs associated with the person (a member) seeking goods or services related to provision of support where they are the victims of family violence or financial abuse by a domestic partner."

Amend Regulation 6.19A to include an additional paragraph after paragraph (6)

The Regulator cannot be satisfied that money is required to seek services or support associated with family violence unless a recognised social worker or community organisation certifies that:

- a) the person is experiencing a situation of family violence, which threatens the person's physical or mental wellbeing; and
- b) the costs relate to the person obtaining goods or services related to provision of support where they are the victims of family violence or financial abuse by a domestic partner.

The facts about family violence

The following basic statistics help demonstrate the prevalence and severity of violence against women:

- On average, at least one woman a week is killed by a partner or former partner in Australia.
- One in four Australian women has experienced physical or sexual violence by an intimate partner.
- Of those women who experience violence, more than half will have children in their care.
- Aboriginal and Torres Strait Islander women experience violence at higher rates than non-Indigenous women.

www.ourwatch.org.au/Understanding-Violence/Facts-and-figures

- Family violence is the principal cause of homelessness for women and their children.
- Indigenous women and girls are 35 times more likely than the wider female population to be hospitalised due to family violence.
- A woman killed by her partner is most likely to be killed in her home.
- Women who have experienced intimate partner violence face higher health costs.
- Intimate partner violence is the leading contributor to death, disability and ill-health in Australian women aged 15-44.
- Statistics indicate the rate of family violence is higher in rural and regional areas.
- Family violence reduces an employee's ability to perform tasks in the workplace.
- Violence against women is estimated to cost the Australian economy \$21.7 billion a year.

www.whiteribbon.org.au/understand-domestic-violence/facts-violence-women/domestic-violence-statistics/

Treasury review of current early release of super rules

Treasury has released a wide ranging consultation paper reviewing the current rules governing early release of superannuation on grounds of severe financial hardship and compassionate grounds.

The review is in addition to work being undertaken by the Department of Health and Treasury on recent trends and practices in the early release of super on medical grounds.

The review will consider rules related to the early access of super on compassionate grounds in the following areas:

- medical grounds
- whether and in what circumstances a victim of crime might access an offender's superannuation assets for compensation or restitution payments
- funeral expenses
- housing grounds
- disability grounds
- whether the Regulator should continue to have discretion when deciding on the merits of individual cases for early access to super.

The review will also consider rules related to the early access of super on the grounds of severe financial hardship in the following areas:

- whether to amend the eligibility criteria, particularly around the need to receive 26 weeks of continuous qualifying Commonwealth income support payments
- an appropriate 'standard of proof' and guarding against non-genuine claims.

The review will also consider aspects of early access not currently included in legislation in the following areas:

- victims of family violence
- victims of crime compensation
- how competing claims via family law property split proceedings and victims of crime compensation proceedings could be handled.

Submissions are requested by 12 February with Treasury set to make recommendations to Government in March 2018.

Consultation with service providers and other organisations

HESTA brought together leading community service organisations and experts in family violence and financial abuse in a round table forum held in August 2017. The HESTA round table was a discussion about how a change might be operationalised and not necessarily an endorsement of the advocacy position by all participants.

Those in attendance of the round table lunch were:

Name	Role	Organisation
Estelle Petrie	Small Claims Project Coordinator	Women's Legal Service Victoria
Helen Matthews	Principal Lawyer/Director of Legal Policy	Women's Legal Service Victoria
Jozica Kutin	Researcher- PHD Candidate, School of Economics	Finance and Marketing- RMIT University
Julie Kun	Chief Executive Officer	WIRE
Judit Brown	Business Development Manager	WIRE
Carolyn Bond AO		Economic Abuse Reference Group
Sandra Buckley	Executive Officer	Women In Super
Jackie Mead	Director People, Culture and Information Systems	Berry Street
Che Bishop	Operations Manager	No To Violence Victoria
Roselyne Anderson	Chair	Economic Security4Women
Domenique Godfrey	Coordinator Workforce Development	Financial Counselling Australia
Moo Baulch	Chief Executive Officer	Domestic Violence NSW
Karen Willis	Executive Officer	NSW Rape Crisis Centre
Debby Blakey	Chief Executive Officer	HESTA
Lisa Samuels	Executive Marketing Strategy	HESTA
Mary Delahunty	General Manager Business Development and Policy	HESTA
Sam Riley	Media Relations Manager	HESTA
Lizzy Keenan	General Manager Culture and Capability	HESTA
Tom Moloney	Business Development Manager	HESTA
Martine Calache	Business Development and Policy Coordinator	HESTA

Main discussion points of round table

The round table produced a wide-ranging conversation that looked at the potential broad-ranging impact that a relatively small change to super rules may have for the community sector.

Areas of discussion included:

- the standard of proof shouldn't create an administrative burden for already stretched service providers
- if early access rules changed, there would be a need to educate the public on changes
- not to be overly prescriptive about how money should be spent, as needs will differ depending on an individual's circumstances
- clarity on when super accessed i.e. as a crisis payment or for longer-term recovery needs, as this will impact implementation and assessment/processing timeframes
- inter-relationship with the family law assessment/processing system- especially around small claims/property splits and making a claim on partner's superannuation later
- financial abuse and accessing super i.e.
 - super being used to pay debts incurred as a result of financial abuse
 - debt collection agencies and other intermediaries encouraging access to super that may not be in the best interests of the individual
 - the need to be appropriately accessible for victims and survivors as too many barriers will limit its use and effectiveness
 - the risk that some perpetrators may attempt to use this provision to access a partner's super and the need to safeguard via specialist counselling and support.
 - that these support services around access should be adequately funded and not place an additional burden on already stretched service providers
 - the role of superannuation funds and their limited expertise and experience in family violence – i.e. they're not well placed to assess claims but could provide referrals to appropriate support services and ensure incoming claims are processed in a timely manner.

Conclusions from round table

The round table produced a number of potential areas that government and the superannuation industry could consider around implementation. These would need further discussion and collaboration and are suggestions only at this stage.

Areas identified:

- that the superannuation industry could consider an industry-wide referral service, as this proposal will create additional demands
- the need for training and trauma services for super fund staff around family violence, if access rules changed
- establishment of a working group of specialist family violence service providers and other relevant organisations to work through implementation issues with government/super industry
- mapping the process for an applicant i.e. who would certify, who would assess and how is it sent to and processed by a super fund, and in what time frame
- development of a flow chart of possible scenarios where super funds might be a point of contact for family violence survivors and victims
- raising awareness of the need for greater financial support for victims and survivors of family violence and a coordinated government response in an appropriate forum, such as COAG.

contact us

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