

Extra fees eat into your super

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AUSTRALIANS lose millions of dollars each year because they neglect to consolidate their super-annuation funds.

A survey by maxsuper.com.au has discovered almost 40 per cent of Australians have at least two super funds and more than 6 per cent have no idea how many funds they have.

It found that a person with four separate super funds could save up to \$540 a year in wasted fees and insurance premiums by consolidating to one fund – which for a 30-year-old employee could add up to an extra \$60,000 in retirement.

A spokesman for max Super, Tim Pethick, said fund members failed to act due to a lack of time and understanding of what they could save.

“Very rarely does a person’s career start and end in one place. By the time you hit 30, it’s common to have five or six jobs listed on your resume, which often results in multiple super funds or lost super due to changes of address,” Mr Pethick said.

“What they don’t realise is that

having super all over the place could be costing them significant dollars in the long term, due to the impact of compounding interest.”

Adelaide financial strategist Theo Marinis said many people felt consolidating super was “too complicated or too boring”.

He said people with multiple funds could be needlessly paying multiple fees, and it often took only a few phone calls to start saving money. “With some funds, they will help you

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bring the money across and help you complete the paperwork,” he said.

Andrea Rhue, 41, of Victor Harbor, used to have four separate super funds before consolidating them.

“Now I have a main fund and I roll my super into that fund each time I finish with an employer,” she said.

You can log on to websites unclaimedsuper.com.au and ato.gov.au to search for super that may have been overlooked.

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