



MARINIS
FINANCIAL GROUP

T 08 8130 5130
F 08 8331 9161
E admin@marinisgroup.com.au
W marinisgroup.com.au
A 67 Kensington Road
NORWOOD SA 5067

20th April 2015

The Hon. Josh Frydenberg MP
Assistant Treasurer
PO Box 6022
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear

Mr Frydenberg,

YOUR ARTICLE IN THE AUSTRALIAN

I write in response to your very sensible article on superannuation in the March 14, 2015 edition of The Australian.

As principal and Responsible Manager of an Adelaide based, self-licensed financial planning practice providing advice to clients on around \$130 million of their super and retirement savings, I am always interested in the views of our political leaders on this topic.

I may also have the benefit, perhaps, of prior career experience with the ATO, ISC and Centrelink to place me in a position to make reasonably well informed comment on the Australian superannuation retirement system.

One of the biggest obstacles to encouraging people to provide more money for their retirement is the fear that Canberra will change the rules; it discourages people from saving for their retirement. As a nation, I am of the view that we should encourage people to take responsibility for themselves.

I am also of the view that all members of parliament should be encouraged to avoid the risk of politicising superannuation; there is real fear in the community that the excellent super system we have will be destroyed.

It is widely agreed that Australia has the second best retirement income system in the world. As a believer in the premise "If it ain't broke don't fix it", if our super system is not adequate, and it's the second best system in the world, perhaps have a lot less to worry about than just about every other nation.

I would urge you, therefore, not to waste time dealing with the few people who have large superannuation balances – my advice would be to forget them, and concentrate your efforts on the twenty million who do not have enough. By all means tighten up the age pension eligibility rules (by adjusting the taper rate for example) but the system does not need a major overhaul.

As well as, and perhaps as an alternative to, consultation with senior Treasury staff, I would also encourage you to talk to the 'grass-roots' and technically proficient public servants (Centrelink FIS Officers for example) before you attempt to adapt or develop superannuation policy. These are people at the front line who see and understand first hand, the impact and the inevitable 'work-arounds'.

If modelling and the IGR point to a tax shortfall, the common sense approach surely points to changing the tax arrangements from taxing income, to taxing consumption as the 'boomers' begin the journey into the super drawdown phase.

Superannuation is on the cusp of delivering the best retirement any generation of Australians have ever had – let's not damage this with ill-conceived tampering with a very good system.

I would be delighted to share with you, or your advisers, my 'front line' views on improving Superannuation system to benefit all Australians without degrading the tax base; please feel free to contact me.

Sincerely

Theo Marinis B.A., B.Ec., CPA., CFP®
Financial Strategist
Authorised Representative