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November 9, 2012

Senate Standing Committees on Economics
PO Box 6100
Parliament House
Canberra ACT 2600
Australia

Via email: economics.sen@aph.gov.au

Dear Commissioners,

Re: CPSU-SPSF Group Federal Office Submission - Treasury Legislation Amendment (Unclaimed Money and Other Measures) Bill 2012 'the Bill'

Introduction

The State Public Services Federation Group (SPSF) of the CPSU, the Community and Public Sector Union (CPSU - a Federally-registered union), consists of State Branches representing employees of the Crown in Right of the States and other State public sector entities.

The SPSF appreciates the opportunity to make a submission to this Inquiry.

The SPSF supports the Bill and the general initiative taken by the Federal Government. However we submit that it would be preferable to increase the 'period of inactivity' from 12 to 24 months. Such an amendment would increase the likelihood that a lost superannuation account is genuinely lost, rather than mislaid through long periods of leave.

The SPSF calls for consideration to be given to using tax file numbers (TFN) to match lost superannuation accounts with their proper recipients. Where a lost account has a TFN attached to it, the Australian Taxation Office (ATO) could match these to taxation returns with the same TFN and send information about the lost superannuation account with the tax payer's next tax return.

The SPSF further calls for consideration to be given to the notion that, the ATO include a section for superannuation account consolidation on tax returns where the tax payer could specify their primary fund. At present taxpayers inform the ATO regarding their health fund to avoid a penalty (increased Medicare levy) so tax payers should be encouraged to provide information that benefits them as well.

Please direct any correspondence arising out of this submission to Seán Marshall CPSU-SPSF Federal Office, Industrial Officer via email or by telephone

Yours faithfully,

David Carey
Federal Secretary
CPSU SPSF Group