



## **ADSO** ALLIANCE OF DEFENCE SERVICE ORGANISATIONS

**PO Box 4166  
KINGSTON ACT 2604**

29 June 2018

**The Honourable Kenneth Madison Hayne AC**  
Commissioner  
Royal Commission into Misconduct in the Banking,  
Superannuation and Financial Services Industry

### **THE ROYAL COMMISSION INTO BANKING** **Call to include the Commonwealth Superannuation Corporation**

The Alliance of Defence Service Organisations, the Returned & Services League of Australia, the Superannuated Commissioned Officers Association (SCOA) and the Australian Council of Public Sector Retiree Organisations (ACPSRO) on behalf of 700,000 men and women, and their families, whose superannuation is managed by the Commonwealth Superannuation Corporation (CSC) are concerned that it has been excluded from the Royal Commission.

CSC is the only significant superannuation entity in Australia to avoid examination with the Government claiming that it is *"not only already well-regulated but is also subject to greater scrutiny and accountability than other funds by Acts of Parliament, by the Australian National Audit Office, and through oversight by a Senate Estimates process"*.

Those very same 'well-regulated' claims were initially made as arguments against holding a Banking Royal Commission.

What has transpired at recent Commission hearings starkly exposed the inability of established regulations and regulators to deal with misconduct. No misconduct is necessarily implied against CSC but what possible confidence could anyone now have that the very same or similar inability to properly scrutinise should not apply to CSC's regulators as well.

The veterans and public service community is not convinced of assurances that CSC is as well oversighted and regulated. As an example, if CSC always acts in the best interests of its members, what could have driven legal proceedings, self-funded by disabled individual veterans as recently as last month, seeking redress for claimed unfairness and injustices?

The Royal Commission's Terms of Reference say: *"All Australians have the right to be treated honestly and fairly in their dealings with.... superannuation.... providers."*

The 700,000 CSC clients, of whom 230,000 serving and former Australian Defence Force serving personnel and their families, are also Australians.

Commissioner, we urge you to remedy this exclusion by a recommendation to the Government that the Royal Commission's Terms of Reference be amended to include the Commonwealth Superannuation Corporation.

**Kel Ryan**  
National Spokesman  
Alliance of Defence Service Organisation