Many funds not super

$3 billion in Aussie retirement savings wasted

JOHN ROLFE

ONE in seven “growth” super funds containing a combined $3 billion have made nothing in the past decade, jeopardising the retirement plans of tens of thousands of workers.

And nearly half of all share-heavy funds have earned less than 1 per cent a year over that time, an investigation has revealed.

Today The Sunday Territorian reveals the financial impact of being invested in a star fund or a dud.

The returns of top funds are on average 83 per cent higher than the poorest performers, worth nearly $20,000 extra for the typical worker — a stunning amount considering the average worker’s balance was just $40,000 in 2006.

Such an account would have grown to $140,000 today if the after-fees investment return was 5 per cent annually. If the return was 3 per cent the balance would only be $121,000.

New data from leading investment research firm Morningstar shows 47 of 346 growth funds operating since 2006 have failed to beat the official inflation rate of 2.5 per cent over that time. That means they have not actually added to the wealth of their members.

ANZ runs 27 of these funds — 14 under its own name and 13 branded OnePath.

ANZ spokesman Nick Higginbottom said customers may receive fee rebates, which could boost the performance of their investment.

More than 150 of the growth funds tracked by Morningstar have not earned more than 3.5 per cent a year — or 1 per cent above inflation — over the decade. These funds contain about $6 billion of workers’ retirement savings.

Thirty-three funds have delivered average investment returns of 5 per cent or more for the past 10 years, including some of the biggest funds. The $33 billion retailer employee fund REST is ranked top, earning 6.7 per cent a year. It also leads the SuperRatings 10-year returns tables.

“It is more important than ever for members to keep track of their fund’s long-term performance,” SuperRatings’ Kirby Rappell said.

Morningstar research director Katrina Young agreed, but said: “For many investors quarterly, semi-annual, or even annual check-ups on their investments can suffice.”

Police arrest Nightcliff man

A 41-year-old man has been charged after drugs and $470 cash were found at a Nightcliff home.

Territory police Detective Acting Superintendent Janet Tonkin said police found about 2.5g of methamphetamine, as well as glass “ice” pipes, scales, unused clip seal bags and cash.

The man was arrested and hit with a number of charges, including possessing tainted property.

He was remanded to appear in Darwin Local Court on Friday.

School hall to receive funds

WULAGI Primary School will receive an upgrade to its multi-purpose assembly hall from money allocated in the upcoming NT Budget.

Education Minister Peter Chandler said the $1 million extension would involve a new sports surface, indoor fans, a roof-top solar array and an upgrade of the stage area.

“Renewing the existing hall will provide a fresh and comfortable environment for Wu-lagi students, while reducing energy costs for the school,” he said.

The school community will also receive help from a $12 million commitment from the previous budget for works.

Nulla Nulla puts focus firmly on Alice Springs

TAMARA HOWIE

AWARD-winning Alice Springs film Nulla Nulla has been selected among the top 100 Australia short films for the St Kilda Film Festival.

The six-minute film is about a new police officer in town, fresh out of the academy in Sydney with no experience in indigenous communities. He is taken under the wing of an indigenous police officer and is faced with a domestic dispute between two grandmothers on his first day.

Writer and Director Dylan River said he was humbled by the response and longevity that Nulla Nulla had received since it was released last year.

“Nulla Nulla was my first short film and the life of the film is still going on,” River said.

“It’s been amazing,” River said. “Nulla Nulla was my first film and the life of the film is still going on.”

Fortunately this film has been travelling for a year and thousands of people have seen it and it’s a real privilege to have this on my first attempt.”

River said it was important for him to share the stories of his hometown.

“I’m very passionate about living in Alice and telling stories close to home,” he said.

“I see a lot of people travel to remote parts of Australia and I feel like they really don’t know about Aboriginal culture. “It’s not that they’re bad people, (they come) with a really good heart... they just haven’t been educated.”

The film won an ACCTA award for Best Short Fiction Film in 2015 and was recently screened in Darwin as part of Flickerfest where it won the Media Super Award for Best Australian Screenplay in an Australian Short Film.

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Alice Springs actress, Audrey Williams Napanangka Martin in the award-winning film Nulla Nulla

Picture: REX NICHOLSON