

21 August 2017

Superannuation Productivity Commission
Locked Bag 2
Collins Street East
MELBOURNE, VIC. 8003

Dear Sir/ Madam,

**RE: SELF MANAGED SUPERANNUATION FUNDS
SUBMISSION FOR COMPETITIVENESS AND EFFICIENCY OF THE SUPERANNUATION SYSTEM**

My wife and I are in our early 50's and I have serious doubts whether the current or future superannuation system is going to deliver our best outcome in retirement.

Throughout the decades the Government continues to 'meddle' with the system making it more and more difficult for the working people to accumulate and save for our own retirement. What is the purpose of superannuation if the Government applies limits? After all, this was the primary reason to contribute to our superannuation funds so that we can be self-sufficient in our retired years and not require Government support such as the Aged Pension, putting extra pressure on the Government purse.

Approximately five years ago we set up our own self-managed superannuation fund as we were sick and tired of watching the losses incurred by our individual funds, being the larger funds, and watching our balances dwindle even though we were contributing significant sums of money to them each year.

Whilst we have 'kept all of our eggs in the one basket' so to speak, we thought it was the best outcome. The 'red tape' however, has been nothing short of horrendous and we are extremely pleased that we chose a professional company to manage the legal requirements in compliance of our super fund.

We follow the performance of our fund which is not at all difficult. The most difficult part about it was that when our super fund borrowed an amount of money for a property purchase, it was extremely difficult to source a lender who would fund our purchase and the interest rate the finance company charged is exorbitant compared to normal commercial rates. For a purchase where they required a minimum 30% deposit prior to purchase, it is not a risky investment for the Banks to fund. Furthermore, if we decide to switch lenders in order to find a better rate of interest, there are very few lenders who are willing to take on the finance due to the extremely onerous legal requirements.

Yours Sincerely

Ilias Boutsivaras