



MEDIA RELEASE

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YOUR FUTURE, YOUR SUPER BILL PASSES SENATE

The Government's signature 'Your Future, Your Super' reforms that were passed by the Senate today, and are expected to be passed into law by the House of Representatives shortly, represent a significant win for superannuation consumers.

The reforms include the Royal Commission's 'stapling' recommendation which will ensure consumers have a single, high-quality fund that they are able to take with them from job to job, like a bank account or a tax file number.

Financial Services Council (FSC) CEO Sally Loane said "the FSC has been a vocal and long-term advocate for stapling and our analysis shows that having a single superannuation account will save Australian workers up to \$1.8 billion in fees over the first three years."

"This is an important milestone in our \$3 trillion mandatory system, ending the scourge of unintended multiple superannuation accounts which have cost Australians billions of dollars in duplicate fees," Ms Loane said.

The 'Your Super' reforms will also introduce new performance benchmarks for superannuation products, an ATO comparison tool to help consumers choose a better performing fund, and strengthen the requirements for trustees to act in the best financial interests of superannuation consumers.

"The new performance assessment will work alongside stapling to give Australians confidence that their superannuation is generating 'best in show' investment returns throughout their working lives. If a consumer is concerned their fund's returns are substandard the ATO comparison tool will be available as an impartial source of information to help consumers choose a better fund."

"The challenge now for the regulators and Government is to ensure performance assessments use rigorous and comparable data for all products so that comparisons are undertaken on a 'like-for-like' basis."

The FSC also welcomed the Senate's passage of the 'More Flexible Super' reforms.

"The changes to contribution arrangements for older Australians will make it easier for them to manage their superannuation and retirement planning."

"We were also pleased to see the Government support amendments tabled by Pauline Hanson's One Nation to allow individuals who withdrew superannuation during the COVID-19 crisis to recontribute those amounts without being penalised. This is consistent with FSC advocacy as part of a holistic response to the COVID-19 early release scheme."

- Ends

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About the Financial Services Council

The Financial Services Council (FSC) has over 100 members representing Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks and licensed trustee companies. The industry is responsible for investing almost \$3 trillion on behalf of more than 15.6 million Australians. The pool of funds under management is larger than Australia's GDP and the capitalisation of the Australian Securities Exchange and is the fourth largest pool of managed funds in the world.