



MEDIA RELEASE

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CHANGES TO SUPERANNUATION FOR UNDER 25s

The Financial Services Council (FSC) has today welcomed the certainty provided to consumers and business with the passage of the Putting Members Interests First (PMIF) legislation, which is due to come into effect on April 1, next year.

FSC CEO Sally Loane said that amendments to provide additional time for impacted super fund members to opt into insurance were a sensible, consumer-focused change to the legislation.

“These changes will ensure that super funds have additional time to engage with their members about the changes, and that consumers will have time to make informed decisions about their insurance needs,” Ms Loane said.

Under the PMIF legislation, if you’re under the age of 25 or have an account balance below \$6000, from April next year you will be required to opt in for life insurance cover.

“This is an important reminder for all young workers to consider what cover they need.

“Checking your super has never been easier – pick up the phone to your fund and discuss your options, because for some under 25-year olds, like those in high risk occupations or with young families, life insurance is a vital safety net,” Ms Loane said.

“Life insurance through superannuation represents fantastic value with more than 80 cents in the dollar paid out from group insurance – unsurpassed anywhere else in the world.”

The FSC will continue to work closely with Government, Treasury and the regulators to make the implementation of PMIF as simple as possible for consumers.

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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 14.8 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. The FSC promotes best practice for the financial services industry by setting mandatory Standards for its members and providing Guidance Notes to assist in operational efficiency.