



## **MEDIA RELEASE**

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### **FIRST HOME BUYERS SHOULD NOT BE FORCED TO CHOOSE BETWEEN A HOME AND THEIR RETIREMENT SAVINGS**

The Morrison Government's announcement to allow access to superannuation for first home buyers to fund a deposit will undermine the purpose of the superannuation system and could force up to 5.3 million young Australians to decide between owning a home or their retirement savings.

CEO of the FSC Blake Briggs said: "The FSC is concerned the Government's proposal weakens the sole purpose of superannuation, which is to provide higher standards of living in retirement.

"The FSC recognises there is a correlation between renting in retirement and poverty amongst older Australians, but Australians should not have to choose between a home and their retirement savings.

"The Government's own majority report into 'Housing Affordability and Supply in Australia' concluded that superannuation should only ever be used for housing if there were commensurate measures to increase supply.

"The Government's supply measure only extends downsizing to 1.3 million households, whilst potentially allowing approximately 5.3 million under 35-year-old Australians that do not yet own a home access their superannuation to buy a first home.

"The Government has an obligation to do more to boost supply, otherwise unleashing superannuation savings on the housing market risks driving prices higher still."

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#### **About the Financial Services Council**

The FSC is a peak body which sets mandatory Standards and develops policy for more than 100 member companies in one of Australia's largest industry sectors, financial services. Our Full Members represent Australia's retail and wholesale funds management businesses, superannuation funds, life insurers and financial advice licensees. Our Supporting Members represent the professional services firms such as ICT, consulting, accounting, legal, recruitment, actuarial and research houses. The financial services industry is responsible for investing \$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.