

17 April 2025

Ms Misha Schubert
Chief Executive Officer
Super Members Council
Suite 2, Level 18, 150 Lonsdale Street
Melbourne, Victoria 3000

Dear Ms Schubert

Thank you for taking the time to share the Super Members Council policy priorities for superannuation, and for your engagement during this term of Government.

As you know, the Albanese Government has been focussed on strengthening Australia's world-class superannuation system so more Australians can have a dignified retirement.

The superannuation system created by Labor has grown to be the fourth largest pool of retirement savings in the world, with \$4.2 trillion in assets under management.

During this term of Government, we are proud to have implemented significant reforms including:

- enshrining the objective of superannuation in law: 'to preserve savings to deliver income for a dignified retirement, alongside government support, in an equitable and sustainable way';
- lifting the superannuation guarantee rate from 10 per cent to 11.5 per cent;
- legislating to pay superannuation on Government funded Paid Parental Leave, benefitting 180,000 families every year;
- aligning financial reporting by superannuation funds with public companies;
- expanding the coverage of the superannuation performance test from around 70 products to more than 600 products;
- legislating the Financial Accountability Regime, which applies to the superannuation sector from March 2025; and

- legislating the first tranche of reforms to improve the quality and affordability of financial advice.

We welcome the ideas you have put forward, and are pleased to note that many of SMC's suggestions align with the next steps in our superannuation agenda. At a fundamental level, this involves ensuring that superannuation is preserved to support better retirement outcomes for Australians.

Policy proposals to enable early withdrawals, beyond existing rules about financial hardship and compassionate access, will see Australians worse off in retirement. The damage from the COVID early release is clear, with the loss of \$36 billion of retirement savings in a matter of months under the former Government. Policies to allow early access to fund house purchases will push up prices, won't build a single home and will rob Australians of their retirement savings.

Australians should not have to sacrifice their retirement savings to deal with immediate cost of living pressures or to buy a house. That is why the Albanese Government is continuing to provide meaningful and responsible cost of living relief including three rounds of permanent tax cuts, and roll out our \$43 billion Homes for Australia Plan.

Going forward, the Albanese Government will continue our work to strengthen the superannuation system. Our key priorities include:

- increasing the superannuation guarantee to 12 per cent from 1 July 2025;
- implementing mandatory service standards for superannuation funds to improve member outcomes;
- implementing superannuation on payday, to tackle the \$5.2 billion in super that goes unpaid every year;
- making superannuation concessions fairer and more sustainable;
- improving the retirement phase of superannuation to give retirees more peace of mind, help them make their super go further and provide more support to navigate retirement; and
- implementing the next phase of reform on quality of advice.

We look forward to continuing to work with SMC to improve the superannuation system for all Australians.

Kind regards

ALP Campaign 2025