

The Coalition's Response to the Super Members Council

2025 Federal Election Questionnaire

The Coalition is strongly committed to the role of superannuation in our retirement system.

It plays an important role in the economy and it's critical to the lives of Australians.

Despite promising no changes to superannuation before the election, Anthony Albanese and Labor are proposing:

- Doubling super taxes on 1 in 10 Australians by the time they retire.
- Stopping companies from offering franking credits to Australian investors, super funds, and charities.
- Taxing unrealised capital gains in super meaning Australian retirees will pay tax on money they haven't even made yet.

Changes to the super system should add to what super delivers in retirement, not add to what politicians can't fund with their budgets. It shouldn't be there to fill the holes of a Labor government that wants to spend more money.

We seek a clear commitment to make no changes to the principles of preservation, universality, and compulsion, which are the backbone of Australia's strong super system. Super is Australians' money for retirement. Noting the Coalition has announced a Super Home Buyer Scheme policy, we ask you to reconsider that policy and:

- a. rule out any weakening of super preservation rules; and**
- b. rule out any move to enable cashing out of Super Guarantee contributions (which would only make Australians poorer in retirement).**

Under a Dutton Coalition Government, Australian first homeowners and women who separate later in life will be able to draw down up to \$50,000 or 40 per cent of their balance of their super for a home deposit under our Super Home Buyer scheme. A sensible replenishment mechanism means any funds used for the purchase will be returned upon the sale of the home including a share of the capital gain.

This achieves the best of both worlds supporting home ownership and retirement security.

Pledge to fix unpaid super, which costs 2.8 million Australians \$5 billion a year, by legislating payday super reforms to start for all workers on 1 July 2026; boosting super compliance by the ATO; and adding super to the Fair Entitlements Guarantee scheme. This pledge would build on the Coalition's record over seeing the uplift in business practices with the introduction of Business Activity Statements under the Howard Government and Single Touch Payroll under the Turnbull Government.

All employers face legal obligations and pecuniary penalties for failing to pay super to their employees. The Coalition believes all employers must meet these legal obligations to their employees and we recognise the work funds do to assist members to recover their super.

30,000 businesses have already gone bust under this Labor government, amid rising interest rates, higher energy costs, and labour shortages.

The Coalition will consider how to further improve the timely payment of super in a way that balances the importance of legal compliance with the practical impact for small businesses during a cost-of-doing business crisis.

Super is Australians' money, and the Coalition will ensure all entities are held accountable for failing to recognise this.

Super advocacy bodies remain silent on what they are going to do to address the serious allegations against their members for failing to release their members funds, failing to meet their regulated governance standards, improperly charging their customers fees, and having questionable financial links to criminal unions like the CFMEU.

Commit to maintain the legislated rise in the Superannuation Guarantee rate to 12% on 1 July 2025, which is critical for ensuring all Australians retire with sufficient levels of super.

The Coalition will maintain the rise in the Superannuation Guarantee rate to 12%.

Help Australians plan better for retirement by enabling Government agencies to share more information with super funds, and by allowing funds to provide retirement estimates on request, rather than just once a year.

The Coalition supports in-principle improved information sharing by government agencies with super funds and will work with industry to identify high value use cases.

Slash red tape by letting retirees pay super into their retirement-phase super accounts, removing the need for two accounts, in turn reducing fees and inconvenience.

An elected Dutton Coalition Government will increase the Pension Work Bonus to support mature Age Australians and veterans to re-enter the workforce and embed structural processes to reduce red tape in our financial services sector.

An elected Dutton Coalition Government will establish Investment Australia to drive investment and reduce red tape across key enabling sectors.

As part of this commitment, the Coalition will create an Investment Taskforce to cut red tape and remove bureaucracy in the financial services sector, with a focus on reducing wasteful compliance and red tape that delivers no benefits to consumers.

An interdepartmental taskforce will support rapid, real time, rolling implementation of taskforce recommendations via legislative repeals or amendments.

The Coalition will establish whole of government deregulation principles and task the Productivity Commission with an annual stocktake of regulation.

This annual stocktake will hold regulators and legislators accountable for the economic costs of regulation and legislation, will identify the cost of regulation to the economy and set clear rankings and prioritisation of legislative reform to wind back our most damaging laws and regulations.

This work will inform the return of the red tape repeal days to ensure we are reducing the stock of legislation and have an accountability mechanism for regulators for the second order impacts of laws.

The Coalition's Your Future, Your Super reforms – along with the Retirement Income Covenant – delivered when we were last in Government, are critical reforms that the Grattan Institute has shown are delivering real benefits to members.

As these reforms mature, the Coalition strongly believes that future changes to super must retain a laser focus on delivering returns to members.

Expand access to affordable financial advice by passing the proposed package of financial advice reforms, so Australians can get the information they need to plan for retirement.

The Coalition will pursue an ambitious suite of reforms to expand access to affordable financial advice, particularly in relation to superannuation and retirement outcomes.

This plan will include:

- Setting a target to rebuild the advice industry to 30,000 financial advisers. The target will be a north star for future financial advice reform, and it will also be embedded in ASIC's statement of expectations.
- Urgently fixing the Compensation Scheme of Last resort to lower costs for advisers and ensure it is fair and sustainable.
- Cutting red tape by implementing Quality of Advice Review recommendations, with legislation to be introduced within the first 100 days of a Coalition Government.
- Reviewing ongoing fee arrangement and life insurance commission regulations, with a view to alignment with international best-practice.
- Reforming education and relevant degree standards to get more advisers into the industry.
- Reforming the corporate bond market to create more wealth-building opportunities.
- Providing financial advisers access to the ATO portal.
- Making it easier for accountants to provide advice.
- Simplifying Australia's corporations law, creating a deregulation taskforce focused on financial services and establishing clear deregulation principles for all policy proposals.

The Coalition reiterates our commitment to fast-tracking implementation of the Quality of Advice Review.

Before the 2022 election, the former Coalition Government commissioned the Quality of Advice Review.

It gave great hope that its recommendations would cut some of the red tape that has built up for financial advisers and superannuation funds, but it took 12 months before the Government even provided their response.

We are now approaching 900 days since Michelle Levy handed the Albanese Government her Quality of Advice Review final report but barely any of its important reforms have progressed.

It will help advisers, it will help consumers, and it will help super funds meet their Retirement Income Covenant obligations.

We are acutely conscious that there are more challenges than just implementing the review – but it is a critical enabler to effective digital advice and supporting product modernisation that is overdue. This also won't be the finishing post for financial advice reform. It should be the starting point.

Support the digitisation of binding death benefit nominations and standardise death certificates and proof of identity processes, to speed up death benefit payments.

The Coalition supports improvements in service standards by super funds and was dismayed by reports of inordinate delays in processing of death benefits by some super funds.

Support better integration between super funds and key government agencies such as the ATO, to speed up processing times on financial hardship applications.

The Coalition supports improvements in service standards by super funds and will consider how government agencies, including the ATO, can work more closely with super funds to support this goal.

Support ending age discrimination in super, by backing a reform to ensure all workers under age 18 are paid super on income they earn.

The Coalition supports the current settings for the payment of super guarantee. Any future changes must be conservative, measured, and responsive to the real gaps that exist in the system.

Commit to lifting the Low-Income Super Tax Offset (a tax refund for low-income earners' super contributions) so 1.2 million lower-income workers, mostly women, get a fairer tax deal on super.

The Coalition will repair the budget to fund tax reform that delivers lower, simpler and fairer taxes. The Coalition will consider options to ensure Australians are taxed fairly and, unlike the Albanese Government, the Coalition will not hit Australians with new taxes on unrealised capital gains in their super.

Support law reform so family violence perpetrators can no longer inherit their victim's super.

The Coalition recognises this problem and, if elected to Government, will work with stakeholders to best address the matters raised in this recommendation.

Improve equity for Aboriginal and Torres Strait Islander people by reforming super law to recognise kinship structures and to make ID requirements simpler for First Nations people.

The Coalition supports making super more user friendly for all Australians but also recognises the increasing risks of scams and fraud and the importance of super funds having in place robust protections, such as multi-factor authentication.

Recent reports of widespread cyber breaches and fraud highlighted the inadequacy of these measures across the superannuation industry. The Coalition will prioritise putting in place mandatory service standards to ensure members are protected.