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### HAPPY NEW (FINANCIAL) YEAR FOR SUPERANNUATION

Tom Garcia, CEO of the peak representative body of not-for-profit superannuation funds - the Australian Institute of Superannuation Trustees (AIST) – says members of superannuation funds will have plenty to smile about from Monday - the start of the new financial year.

Compulsory superannuation contributions are increasing from 9% to 9.25%, and will now be slowly increasing to 12% over the next few years.

- Many super funds will be posting average investment returns of around 15% for 2012/2013 for their balanced investment options.
- People over 60 will now be able to make up to \$35,000 in superannuation contributions this financial year – up from \$25,000 in 2012/2013.
- Many super funds – especially not-for-profit funds – are offering new value-for-money products called MySuper, and commissions will no longer be paid.
- Higher levels of trustee obligations both for MySuper products and other superannuation come into effect, proving additional levels of disclosure and consumer protection.
- The rollout of new arrangements for the quick and efficient transfer of funds between super funds known as SuperStream commences.

“These are exciting times for the superannuation industry,” says Mr. Garcia. “These changes will help make super funds more interesting to consumers, easier to understand and compare, and make it easier for members to engage with their own fund.”

“Increased disclosure by funds, the focus on net-returns to members, and the ban on commissions will all result in their being more money in member accounts when they retire.

"Not-for-profit funds have lead the way in terms of investment performance and member services, and these changes will raise the bar throughout the industry," says My. Garcia.

#### Further media enquiries:

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***AIST is the peak industry body for the \$500 billion not-for-profit super sector which includes industry, corporate and public sector funds covering the super interests of nearly two-thirds of the Australian workforce.***