

Friday, 15 February 2019

## Amended legislation will keep more people in super system: AIST

The **Australian Institute of Superannuation Trustees (AIST)**, has today welcomed the passage of the Protecting Your Super package, noting that important amendments would protect members from unintended consequences of the new legislation.

AIST has long supported changes to the Protecting Your Super package that extend the definitions of an 'active' account to protect workers taking parental leave from having their account transferred to the Australian Tax Office (ATO).

AIST CEO Eva Scheerlinck said AIST also supported extending the definition of active to include making changes to an account's investment options, insurance cover and binding nominations.

"These are common sense amendments that will ensure that workers who have a good reason for being 'inactive' are able to remain in their fund," Ms Scheerlinck said.

Ms Scheerlinck said the ban on exit fees was also a welcome measure that would further encourage members who are in poor performing funds to make the switch into better superannuation products.

"There are plenty of people in long-term poor performing funds who would benefit from switching out of their fund. The ban on exit fees will ensure they aren't penalised by doing so," Ms Scheerlinck said.

AIST is also pleased the issue requiring the ATO to transfer inactive, low balance accounts passed the Senate.

"AIST supports the measures for auto-consolidation of multiple accounts, and the timeframe of 28 days placed on the ATO in which to do this," Ms Scheerlinck said.

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*AIST is the peak body for the \$1.4 trillion profit-to-member superannuation sector which includes industry, corporate and public-sector funds.*