

Actuaries support shift in superannuation policy focus to retirement

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The Actuaries Institute has called out key barriers that must be overcome as the focus of superannuation policy development moves more strongly to support Australians in their retirement.

In its submission, lodged today to this Treasury consultation, the Institute supports the Government's shift in policy focus. Superannuation policy settings to date have focused on the accumulation stage, which are now starting to reach maturity, and larger groups of Australians are moving into the retirement phase.

"Superannuation is integral to the financial and broader wellbeing outcomes of 16 million Australians, who face complex challenges on their journey to retirement. We need to make navigating these important life decisions as easy as possible, for as many people as possible," said Institute CEO Elayne Grace.

The most fundamental barrier to overcome is shifting the national mindset around superannuation from being a "nest egg" to one of generating income – one that can support the varied needs of Australians in their retirement years.

"Beyond the welcome fixes to financial advice for those Australians, we should be thinking about a holistic help, guidance and advice framework to remove the caution that many people feel when drawing down on their superannuation," said Tim Jenkins, Chair of the Institute's Superannuation and Investments Practice Committee.

A critical part of the solution, and in line with top-ranking pension systems globally, is making sure superannuation has pathways that help nudge people towards well-rounded default solutions for funding retirement. But notions of "a standardised product" need to be approached with care.

"No single solution, that covers a mix of regular income and savings to draw down, and which lasts a lifetime, suits everyone. A broad frame is required to consider super alongside any sources of government support, income from part-time work and home equity to fund a dignified retirement," Mr Jenkins said.

The Institute also supports the Government taking bold steps on population-wide financial literacy and retirement phase guidance and education. This includes recommitting to the National Financial Capability Strategy and introducing standard definitions for the key features of retirement income products.

A copy of the Actuaries Institute's submission to the Treasury consultation can be found [here](#).

Tim Jenkins is available for comment.

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About the Actuaries Institute and the Profession

As the peak professional body in Australia, the Actuaries Institute represents the profession to government, business, and the community. The public policy principles that guide the Institute are to promote public wellbeing, consider potential impacts on equity, be evidence-based and support effectively regulated systems.

Actuaries use data for good by harnessing the evidence to navigate into the future and make a positive impact. They think deeply about the issue at hand, whether it's advising on commercial strategy, influencing policy, or designing new products. Actuaries are adept at balancing interests of stakeholders, clients, and communities. They are called upon to give insight into complex problems, they will look at the full picture. Actuaries analyse the data and model scenarios to form robust and outcome-centred advice.