

Ensure people retain control over their superannuation and implement a performance test for retirement products.

Overview

- The pool of funds held in superannuation continues to grow – [\\$4.3 trillion dollars](#) at the end of the June 2025 quarter.
- Individual balances continue to grow, although it should be noted that most people have relatively low balances – the [median balance](#) for men and women was \$219,773 and \$163,218 respectively at age 60-64 (as of June 2023).
- While the success of superannuation has increased savings and income in later life, there will continue to be heavy reliance on the Age Pension as either a sole source or significant source of income in later life – especially as household debt rises.
- Access to capital is as important as regular income. According to recent [NSA research](#), access to lump sums and money to meet irregular costs such as health and aged care is critical in later life and the primary reason behind older people's decision to hold capital.
- With Treasury's focus on the retirement phase of superannuation, we must ensure any reforms designed to help superannuants make better choices, do not push older people into products or services that are not in their best interests, especially if these limit access to capital for later life expenses or expose people to [extreme risk](#).

WHAT ARE WE CALLING FOR?

- Treasury should:
 - Acknowledge super is money held in trust for everyday Australians, the product of their hard work, and theirs to use however they wish.
 - Avoid policies that compel or incentivise retirement income products that are not in the best interests of superannuants or open them up to extreme risk.
 - Focus on developing educational tools to improve superannuants understanding of the retirement phase of superannuation (and not be used to sell or promote inappropriate or excessively risky products).
 - Develop a performance test for retirement phase products to enable superannuants to easily identify if a product is achieving good (or poor) outcomes to support choice and weed out underperforming products and funds.

Budget impact

- The cost to budget is relatively small. For example, in 2020 the [Australian Prudential Regulation Authority](#) (APRA) was given \$2.8 million over four years to develop and implement the initial superannuation performance test.

