



# Friendly Societies of Australia

## **MEDIA RELEASE**

### **Friendly Societies back super reform**

The Friendly Societies of Australia (FSA) has today urged all MPs to support the Government's superannuation reform measures.

"The Government's measures better target tax concessions to ensure that the superannuation system is sustainable, affordable and equitable. They should be implemented without amendment. Any modifications will compromise the benefits of the reform package," said FSA President Matt Walsh.

"It is important to recognise that superannuation is not the only way to save," Mr Walsh said.

"There are alternative savings options for individuals who come up against contribution caps in superannuation. Investment bonds are a well-established, tax effective savings vehicle with a range of investment options that are already being used by people who are reaching their superannuation contribution caps.

"These solutions are available to the public, direct or via financial planners, and can be very effective complementary accumulation and income stream vehicles for funds that cannot be contributed to super.

"The investment bond framework, unlike superannuation, has been stable for decades and, unlike super funds saved in investment bonds are not locked up until retirement and there is no limit on the amount that can be invested.

"In public debate about savings policy, we would like to see more recognition that alternative savings vehicles to superannuation are available. The investment bond framework is particularly tax effective for taxpayers on the top marginal rate."

The FSA represents friendly societies regulated by APRA, the majority of which are member-owned mutual organisations. FSA members provide financial services and products including investment bonds, education bonds and funeral bonds.

FSA members are Australian Unity, Australian Scholarships Group, Austock Life, Australian Friendly Society, Centuria, Foresters Friendly Society, KeyInvest, Noble Oak and Sureplan Friendly Society.

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