



MEDIA RELEASE

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SMARTER SOLUTION FOR SUPER SAVINGS

Keen to top up your super before the end of the financial year?

BPAY CEO Andrew Arnott said with many superannuation and investment companies offering the option of online contributions via BPAY, making voluntary contributions to your super has never been easier.

And necessary, so it might seem.

Recent research showed that superannuation savings were severely inadequate, with Australians facing a retirement savings shortfall of \$695 billion¹ and the retirement savings gap now standing at \$73,000 per person².

While the Government has announced it will gradually increase the super guarantee contribution to 12 per cent, the data shows Australians currently need more in their retirement fund.

Adding to superannuation before 30 June enables Australians to take advantage of any tax benefits that may be available to them and, for those eligible, to capitalise on the Government's co-contribution scheme.

As an alternative to making a lump sum, super contributions can take the form of a series of smaller contributions throughout the financial year, making household budgeting easier.

"Some banks allow their customers to schedule multiple BPAY payments ahead of time, for example, to coincide with payday," said Mr Arnott.

"And it takes just a couple of minutes to make or schedule a payment. It's no different to making a regular bill payment," he said.

Australians eligible for the co-contribution scheme and who want to receive the maximum benefit from the Government have the option of adding a small amount to their super account on a regular basis, such as payday.

For example, eligible Australians with a total income of \$46,922 wanting to receive the maximum co-contribution of \$500 would need to deposit \$500 into their super fund within the Financial year – or around \$20 each fortnight.

"BPAY is, in our view, the simplest, and most efficient way to do this," Mr Arnott said.

^{1 & 2} *Investment and Financial Services Association (IFSA) research undertaken by Rice Warner Actuaries. 'Superannuation Adequacy' report January 2010.*

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