

2016-2017-2018

The Parliament of the
Commonwealth of Australia

THE SENATE

Treasury Laws Amendment (Protecting Your Superannuation Package) Bill 2018

(Second reading amendment to be moved by Senator Wish-Wilson, on behalf of the Australian Greens)

At the end of the motion, add:

- “, but the Senate
- (a) supports, as a general principle, group insurance through superannuation being ‘opt-out’ as this increases the level and affordability of cover;
 - (b) notes that:
 - (i) the provision of group insurance through superannuation has greatly increased the level of life cover, and total and permanent disability cover in Australia;
 - (ii) member engagement with superannuation is low, including around the provision of group insurance through superannuation;
 - (iii) the cohorts identified in Schedule 2 to the bill—account holders who are aged under 25 years, have a balance below \$6000, or who are inactive—are less likely to claim on group insurance, and group insurance premiums and fees can disproportionately erode the account balances of these cohorts; and
 - (iv) the individuals in the cohorts identified in Schedule 2 (and their dependents) who claim on group insurance are likely to be among the most economically vulnerable within these cohorts; and
 - (c) calls on the government to introduce legislation that would:
 - (i) retain an ‘opt-out’ approach to group insurance through superannuation; and
 - (ii) provide group insurance at a discounted rate for the cohorts identified in Schedule 2.”