Electrical Trades Union

Submission to Treasury Laws Amendment (Supporting Choice in Superannuation and Other Measures) Bill 2025

February 2026

ELECTRICAL TRADES UNION OF AUSTRALIA
POWERING THE FUTURE

19 February 2026

Senate Standing Committees on Economics
PO Box 6100
Parliament House
Canberra ACT 2600

By email: economics.sen@aph.gov.au

Acknowledgement

In the spirit of reconciliation, the ETU acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all First Nations peoples today.

Treasury Laws Amendment Bill 2025

The Electrical Trades Union (ETU) appreciates the chance to comment on the Treasury Laws Amendment (Supporting Choice in Superannuation and Other Measures) Bill 2025.

The Electrical Trades Union of Australia ('the ETU')[1] is the principal union for electrical and electrotechnology tradespeople and apprentices in Australia, representing well over seventy thousand workers around the country. Our members are employed across construction, energy, manufacturing, mining, utilities and related sectors, with a high proportion of members working in higher risk occupations and on itinerant worksites. These workers are more exposed to hazardous environments, insecure employment and unpaid superannuation than the general workforce, making the design of the superannuation system and insurance within super particularly important.

The ETU backs measures in the bill that aim to stop workers changing jobs from being pushed into new, unsuitable super products that lack the key consumer protections attached to MySuper (default options and products that have passed the performance test). In a compulsory super system, the Government has a duty to make sure workers are not steered by manipulative product design into high-fee or underperforming funds.

However, we remain concerned about unintended consequences of the bill for workers entering hazardous industries, who may be left without vital insurance coverage when they change jobs.

Protecting workers – understanding the impact on insurance safeguards

As superannuation rules are updated, reforms must shore up – and certainly not water down – the insurance protections working people count on. For workers in high-risk trades – and their families – insurance is not a nice to have. When careers are cut short due to illness, injury or

[1] Being a division of the CEPU, a trade union registered under the *Fair Work (Registered Organisations) Act 2009* (Cth).

even death, insurance provides a critical safety net.

The default super system has, over many years, generally worked in workers' favour, with most default members ending up in strong-performing industry funds that provide automatic cover aligned to the risks in their sector. An important safeguard in this framework is the Dangerous Occupation Exception (DOE), which allows participating funds to automatically insure workers in hazardous roles, regardless of their age or account balance.

The DOE exists to make sure workers in dangerous industries are not left without cover at the point they most need it, particularly younger workers and new starters. Without strong protections, these changes risk harming workers who move into hazardous sectors and who could be unaware that they have found themselves in funds with no insurance or cover that does not match the risks of their job. The Your Future, Your Super review itself identified this problem, noting "employees changing jobs may have inappropriate insurance cover within their stapled superannuation account, particularly those moving to high-risk occupations".'[2]

No worker moving into a hazardous industry should lose crucial insurance protection simply because they change employers.

Regulations and guidance should expressly recognise the importance of arrangements such as the Dangerous Occupation Exception that provide automatic cover for workers in hazardous occupations and ensure that stapling and choice rules do not undermine access to such cover.

To genuinely safeguard workers, the rules must prevent people from being stapled to an unsuitable fund, or nudged into a new one, without prominent warnings and protections about what happens to their insurance – especially where they are in, or may move into, high-risk work.

Policy settings should back in high-quality default industry funds so that workers in dangerous trades are not penalised by being stapled to a fund that fails to meet their needs. There must be clear, front-and-centre warnings about staying in a stapled fund or choosing a different fund – particularly about the risk of having no cover, or the wrong cover, when moving into hazardous work.

To further protect workers, where a worker is shown their stapled fund during onboarding, it should be compulsory to clearly spell out whether the account has insurance, the type of cover provided and any occupational restrictions, at least to the standard of the current ATO online choice of fund form.

Finally, the Bill foreshadows rules about advertising and how products are presented. These settings will be critical to whether workers' interests are genuinely protected. To ensure workers' interests come first, we recommend that regulations should ensure that workers are not nudged towards products that are unsuitable for them. Regulations should ensure the employer's default fund is clearly prioritised over any promoted or paid-placement options in onboarding platforms.

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[2] Treasury, YFYS Review – Summary of issues (2023). https://treasury.gov.au/sites/default/files/2023-04/c2022-313936-yfys-review.pdf

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The ETU has actively campaigned to ensure that the superannuation system is fit-for-purpose for workers in our industries. This includes ensuring that they are protected from losing vital insurance because of how choices are framed when they start work, or because they are stapled to products that are not fit for dangerous work.

Kind regards,

Michael Wright

National Secretary Michael Wright
PO Box 380 Rosebery NSW 2018 Suite 4.06, 247 Coward Street, Mascot NSW 2020 (02) 9663 3699 etunational.asn.au

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