



Association of
Financial Advisers

MEDIA RELEASE

AFA CONGRATULATES MINISTER SHORTEN ON SG INCREASE

SYDNEY: 2 November 2011 – The Association of Financial Advisers (AFA) congratulates the Minister for Financial Services and Superannuation, Bill Shorten, for taking the first step towards ensuring a better standard of living in retirement.

“Minister Shorten is to be congratulated for taking what we consider to be a very important step forward,” said AFA CEO Richard Klipin. “In moving for the Superannuation Guarantee (SG) to be lifted to 12 per cent, the Government is helping Australians better prepare for retirement and relieving what had the potential to become a crippling tax burden for taxpayers.”

Minister Shorten today introduced legislation into the House of Representatives to increase the superannuation guarantee to 12 per cent.

“Minister Shorten has identified what the financial advice community has been highlighting for years – that while currently only three million people in Australia are over the age of 65, by 2050 the number will have more than doubled to around 8 million,” Mr Klipin said. “That represents a population top-heavy with people who have retired from the workforce, which will put a huge tax burden on the country. Measures that relieve that burden, such as increasing the SG to 12 per cent, and which will also provide the superannuation account balances they need in order to live in dignity in retirement are welcome,” he said.

Mr Klipin said financial advisers are well-positioned to help people deal with larger superannuation balances and work with them to meet their retirement goals.

“What we know from our *Back to Basics* research is that people who are in an advice relationship are not only better off financially, but are happier, more engaged with their finances and have a feeling of certainty and control over their financial future,” Mr Klipin said. “An increase in the Superannuation Guarantee means that Australians will have larger superannuation account balances. Financial advisers have the skills, knowledge and experience to help people to make the right decisions about their superannuation and better prepare for retirement.”

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About the AFA

The Association of Financial Advisers (AFA) is the longest running professional financial adviser organisation in Australia and its members have been providing trusted advice to consumers for 65 years. The AFA celebrates its diamond anniversary this year. Through individual memberships and relationships with licensees, the AFA represents over 7,000 members. These members offer a broad range of financial advice services to ordinary Australians with many having specific expertise in risk protection. The AFA aims to provide a robust united voice for all financial advisers and their clients, continually improve practices and to focus firmly on the exciting, dynamic future of the financial advice profession. With six and a half decades' success, the Association's ongoing relevance is due to its philosophy of providing leadership and direction to advisers and their clients. It is an association run by advisers for advisers - this means advisers set the agenda, decide which issues to tackle and shape the organisation's strategic plan.

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