

Media release

Fewer than 4 in 10 Aussies Make Voluntary Super Contributions

Wednesday 24 June 2015

The ING DIRECT / Financial Services Council Annual Super Sentiment Index shows that more than half (58%) of Australians have never made a voluntary contribution to their [super](#). This has remained steady for the past few years, despite a considerable jump in the number of people who said there was nothing holding them back from making a voluntary contribution; 20% at the outset of FY14/15, up from 8% in the previous year.

John Arnott, Executive Director, Customers, ING DIRECT, said: "The key factor that has traditionally held people back from making voluntary contributions to their super has been personal financial circumstances, but our research shows that this barrier is declining, from 62% to 53% in the past few years."

"Making [voluntary super contributions](#) is a great way to build your super, a little at a time each year, without hurting your hip pocket. It can also be a great way to maximise tax efficiencies at year end and you'll certainly appreciate these little and often investments as you get closer to your retirement."

Key insights

- 58% of people have never made a voluntary contribution to their super
- 15% have made voluntary contributions only once or twice
- The number of people making more regular voluntary contributions is 24% (FY14/15), up from 21% in the previous year
- Just over half (53%) cite their personal financial situation as a key reason for not making voluntary contributions, down from 63% in the previous year
- 20% say there is nothing holding them back from making voluntary contributions, more than double the number (8%) in the previous year

Mr Arnott added: "Boosting your super can be a simple process – talk to your employer about salary sacrificing, or speak to your fund or log-in to your super to set up a regular or one-off voluntary payment. Another simple way to boost your balance is to look for lower fees. For the one in five who says there's nothing holding you back, make this the year you start making a difference to your super."

How to boost your super

- Sacrifice some of your salary - this is when you and your employer agree to pay a portion of your salary as an extra contribution to super, which can be a tax-effective strategy.
- Make after-tax super contributions - you simply deposit your personal money into your super. These are called after-tax super contributions and are different from salary sacrificing, which happens before your income is taxed.
- Government co-contributions - if you earn less than \$50,454 in the 2015/16 financial year (before tax) and make after-tax super contributions, you could be eligible to get a contribution from the government. This is called the government co-contribution.
- Self-employed super contributions - if you're self-employed, you may be able to claim a tax deduction when you contribute to your super, up to a limit.
- Contribute for your spouse- you may be able to claim an 18% tax offset on super contributions of up to \$3,000 you make on behalf of your non-working or low-income-earning spouse.

Helpful information about making voluntary super contributions can be found at [ASIC's MoneySmart website](#).

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About ING DIRECT

ING DIRECT changed the way Australians bank 15 years ago by launching the country's first high interest, fee free online savings account. Since then, we've brought this low fee value to home loans, transactional banking and superannuation. With over 1.5 million customers – and \$32 billion in savings and \$38 billion in mortgages – ING DIRECT has the highest Net Promoter Score of any bank. Australia's most recommended bank according to Nielsen Consumer Media View, Sep '14 –Feb '15 (n=10,220).

Research methodology – ING DIRECT / FSC Superannuation Sentiment Index

The 2014 Index research was conducted in two stages: a large national quantitative survey; and qualitative focus groups to determine opinion and behaviours. The national survey of 1,000 working Australians with superannuation was conducted between 14-20 July 2014. Four focus groups were held in Sydney on 10 July 2014 comprising 8-10 working people with superannuation.

The 2013 Index research was conducted through a national survey of 1,000 working Australians with superannuation between 1 –18 June 2013. Two focus groups were held in Sydney on 25 June 2013, comprising 8-10 working people with superannuation.