

The benefits of knowing about your super fund

SALVATION ARMY FINANCIAL COUNSELLOR MARIA TURNBULL TALKS ABOUT SUPERANNUATION BENEFITS.

WORK SUPERANNUATION HAS been compulsory in Australia since 1992. Employers must pay 9% of salary into a superannuation fund for employees who earn a minimum of \$450 per month.

Many super funds provide disability benefits and insurance policies such as income protection, sickness, accident and mortgage and so on. If you have an illness or injury you may be able to claim on it. Many people are aware of Centrelink or workers' compensation, but many may be unaware of the possible insurance policies that may be available in the super funds.

Every superannuation company will provide statements that have some details of available benefits listed on them. Some of these will be shown as:

- contributions—money that is paid into your super fund either by you or your employer;
- permanent disability benefits—this is usually shown as a lump sum that could be claimed if you are permanently disabled;
- temporary disability benefits—payments that may be available if you cannot do your usual job, sometimes called income protection.

Accessing super due to exceptional circumstances

Usually super is locked away until retirement age; however you may be able to access your super due to exceptional circumstances. The criteria are:

- you've been on a Centrelink benefit for at least six consecutive months;
- you need the money to pay mortgage arrears;
- you need the money for certain medical expenses;
- you can show other limited compassionate grounds;
- you are a temporary resident and are leaving Australia permanently;
- you have a terminal illness or are permanently incapacitated.

Most superannuation funds have disability insurance, so it is definitely worth knowing what you have available in your super fund.

To claim a disability benefit you have to be unfit for the job you usually do, not unfit for all work. For example, if you are a labourer and you are unable to do this work, then you only have to be able to show that you cannot do that work again,



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even though you could do a desk job.

Your disability does not have to be work-related. It usually does not matter if it was pre-existing to joining the super fund, and there is usually no time limit on when you can claim.

To roll or not to roll?

As there are no time limits on claims that could be made on policies within a super fund, and as different super funds provide different benefits, you may want to reconsider before you roll all or some of your super policies into one. You may lose the opportunity to be able to claim on a particular insurance policy if the policy is rolled or consolidated into another or single policy.

It is important to read the fine print and understand the benefits that may be available to you.

If you are unsure about what you may have available it is worth seeking an opinion about what is on your policy.

There are many superannuation specialists but seeking assistance from someone you trust is recommended.

If you find yourself in financial difficulty, the answer may not be in accessing your super but seeking assistance of a financial counsellor *before* you do. There may be other options available to you. Seeking help sooner rather than later can make a big difference in many cases.