

15 October 2021

Director  
Tax and Transfers Branch  
Retirement, Advice and Investment Division  
Treasury  
Langton Cres  
Parkes ACT 2600

Dear Director

## Retirement Income Covenant – Draft Legislation

National Seniors Australia welcomes the opportunity to comment on the draft legislation for the proposed Retirement Income Covenant.

National Seniors is the peak consumer body for older Australians. We draw on high quality research and other engagement activities to understand the needs and views of older Australians. We use this information to promote policies beneficial to all older Australians.

Overall, we support the draft legislation in its current form and agree with the approach taken, which aligns with the spirit of the previous position paper. While the legislation requires superannuation trustees to put in place a retirement income strategy, it does so in a way that allows trustees the flexibility to tailor the strategy to its members.

As noted in our [prior submission](#) to the position paper consultation, National Seniors Australia does not support legislation, which compels or encourages retirees to adopt specific products if they are not in their best interests. In this regard, trustees will need to be careful to ensure members different circumstances are fully understood when formulating a retirement income strategy.

In this regard, a retirement income strategy should be used by a trustee to inform its product and service development to ensure there are a suite of products available to members. It should also ensure adequate information and advice services are available, including calculators and tools, which enhance members decision making so their own personal retirement strategy is responsive to their needs and circumstances.

Yours sincerely



**Ian Henschke**  
Chief Advocate