

14 November 2016

Majority of Aussies not confident of life insurance within their super

New research released by life insurance advisers' [iSelect](#) today revealed that while **one in three** Australians have some form of life insurance, **half** of those are only covered by what is included within their superannuation policy.

The national Galaxy Research study commissioned by iSelect in October¹ found that many Australian workers don't understand the level of life insurance included within their superannuation policy and aren't confident it would meet their family's needs in the event of something unfortunate happening.

Just **over fifty per cent** of those with life insurance have either 'a vague idea' (36 per cent) or 'no idea' (18 per cent) of the level of cover provided by any life insurance included within their superannuation.

The research also found that of those who only have life insurance within their superannuation, **only 43 per cent** are confident it would provide them with sufficient cover in the event of serious illness, disability or death.

Laura Crowden, spokesperson for iSelect, said that it is concerning that many Australian workers don't understand the level of life insurance included within their superannuation policy and are not taking the time to learn more or discuss their options.

"Talking about you or a loved one passing away or falling ill is a difficult topic to broach and for that reason many people tend to avoid discussing what impact it would have on their family's (or their own) financial security."

"It is because people don't like talking about it that there is a lot of confusion when it comes to life insurance," said Laura.

Across Australia, **4.8 million adults** have some form of life insurance cover, including what is provided with superannuation policies. Of these, **85 per cent** have life cover, **51 per cent** have total and permanent disability (TPD) insurance, **43 per cent** have income protection and **23 per cent** have trauma insurance.

Overall, just **45 per cent** of Australians with life insurance also have a separate policy in addition to what is included within their superannuation policy.

"More than half of those who only have life insurance within their super aren't confident that the level of cover provided within their superannuation would be sufficient to meet their needs in the event something happening beyond their control to either themselves or their partner."

Laura said it's important to speak to your partner about what would happen if one of you were to pass away or be unable to work for a long period of time.

¹ In October 2016 iSelect commissioned a nationally representative consumer research study with Galaxy to assess the attitudes of over 1,000 Australian adults towards life insurance.

“It’s important to take the time to think about how you would protect you family’s financial stability should the unexpected happen.”

Cost does not appear to be the only factor preventing people from taking out additional life insurance cover. Of those who don’t feel their superannuation sufficiently meets their life insurance needs, **26 per cent** said they can’t afford to take out additional life insurance but **one in five** said they simply ‘haven’t got around to it.’

Laura suggests that many Australians simply do not understand the breadth of life insurance options available to them.

“Many people assume that life insurance only refers to life cover, which provides a lump sum payment in the event of death, but life insurance is also about protecting your family’s lifestyle in a range of unfortunate circumstances including illness or disability,” said Laura.

Income protection for example is generally tax-deductible and provides up to 75 per cent of your regular income if you are unable to work due to illness or injury.

Laura encouraged those unsure whether their family’s financial future is sufficiently protected to seek expert advice.

“A qualified life insurance adviser will be able to talk you through all the options, help you understand what level of cover you may already have within your super, and if needed, find an additional policy suited to your lifestyle,” said Laura.

For further information, please contact:

Laura Crowden

Corporate Affairs Manager | iSelect Limited

Ph: +61 3 9276 8178 | Mob: +61 421 784 254 | Email: lcrowden@iselect.com.au

About iSelect

At iSelect, we get that most people find insurance, utilities and personal finance boring. But we understand that it’s really important to always get these things right. As Australia’s life admin store, iSelect gives customers the confidence to make the right call on some of the things that matter most.

Last year, more than 9 million Australians visited our website and we provided recommendations to over 6 million customers. But we are much more than just another online comparison website. Our highly-trained experts at iSelect HQ help customers to choose and buy from thousands of available policies, products and plans. And we provide our advice at no cost to the customer.

We compare and sell some of Australia’s biggest brands but are proud that, unlike other comparison sites, we are not owned by an insurance company. From health and life insurance through to energy and broadband, as well as car insurance and home loans, iSelect helps Australians take care of the boring but important stuff.

www.iselect.com.au