



Australian Government

Defence

Commonwealth Superannuation Corporation



Transition and your Super

Why is super so important?

Super is money for your retirement. You build up super while you are working to make sure you can have a comfortable retirement. It's important to understand where your super comes from and what your choices are around your super, both before and after transition.

All employers are required to pay super via the 'Super Guarantee'. This sets the minimum contribution percentage – a percentage of your salary that is paid to a super fund on top of your salary. This is currently 11% and is being increased gradually up to 12% by 1 July 2025.

If you are an ADF member in Full-Time Force or a SERVOP C reservist, and a member of ADF Super or another super fund of your choice, you are entitled to a higher contribution rate of 16.4% of your Ordinary Time Earnings (OTE). ADF Super is an 'accumulation fund', meaning that your super will grow or accumulate over time. The balance will depend on the money you and your employer put in, as well as investment returns and any fees/costs.

The older DFRDB and MSBS schemes are different, they are what's called a 'defined benefit'. There is not an employer percentage contribution rate for DFRDB and MSBS. Retirement benefits under these older schemes get calculated by reference to a pre-determined formula set by legislation, and in certain circumstances there is an option for a life paid pension.

If you are a reservist not undertaking SERVOP C you will not be eligible to receive super contributions from Defence as your income is not taxable.

Tax and limits on super

Superannuation is treated differently to most other savings. There are special tax treatments and concessions that apply to superannuation contributions to help Australians save for their retirement. Visit the [Australian Taxation Office \(ATO\)](https://www.ato.gov.au) website for more information.

There are caps on the amount that you can contribute into your super before you may be required to pay additional tax, so it is important that you understand what goes into your super and what the limits are. Visit the ATO to learn more about super caps.





Super and transition

It is important to remember that super is your money regardless of where you work. So, when you are thinking of transitioning out of the ADF it is a good time to think about the money you have accumulated in super and make some decisions. The benefits you may receive and what you can do with your super will depend on which fund you are a member of and why you are leaving the ADF.

Whether or not you can access your super immediately after you transition will also depend on your mode of exit and your scheme. If you are in an accumulation scheme (like ADF Super) your retirement benefits are not accessible until you reach your preservation age and retire or you reach 65. If you were born after 1 July 1964, your preservation age is 60. If you are in DFRDB or MSBS, your scheme rules determine when you can start accessing your super retirement benefits.

Invalidity benefits paid via your super can generally be accessed as soon as you cease military service.

What do I need to consider when choosing a super fund?

When choosing a super fund there are many different factors to look at and it's important that you consider all the things that are relevant to you. It's a good idea to get a variety of information from multiple different sources and websites to assist you in making the best decisions for your personal circumstances. You may find useful information on choosing a super fund below at:

- [YourSuper comparison tool | Australian Taxation Office \(ato.gov.au\)](#)
- [Moneysmart](#)

Personal insurance

ADF members are provided death and invalidity cover while you're serving. This is provided through ADF Cover, MSBS or DFRDB, depending on which scheme you are in. This cover will cease when you leave the ADF. You or your family may also be eligible for DVA benefits. DVA continue to support veterans after they have transitioned from the ADF.

If you wish to take out further personal insurance after you leave the service, you will need to source it privately. It's a good idea to have your private cover in place before your transition date.

If you are moving on to the Reserves, be aware that most personal insurance policies have war and war-like exclusions. Make sure you check with your insurer whether your Reserve service, or any other medical conditions you might have from your service, could exclude you from being able to claim on a policy before you pay any premiums.



Where to go for assistance

If you have questions about your superannuation it is best to contact your fund. Make sure you are familiar with the Product Disclosure Statement (PDS) of the product you have to understand your options.

If you are a member of one of the military schemes, [CSC](#) can provide you with lots of information about your those benefits. Check out their website for fact sheets and information or contact them to ask for help.

Other places you might consider seeking assistance from can include:

- [ADF Member and Family Transition Seminars](#) provide information that will assist you to prepare for your transition to civilian life. Partners, families and support persons are encouraged to attend. Members can register through CAMPUS by searching for 'transition seminar'. Transitioned members, family and support persons can register by emailing: transition.seminar@defence.gov.au
- [ADF Financial Services Consumer Centre](#) offers impartial financial education (not personal advice) and relevant resource material to all ADF personnel in order to assist them to make informed decisions and plans about their financial affairs, and empower them to improve their financial capability throughout their careers. The Centre's aim is to keep you informed so that you are in a position to make the best decisions possible for yourself and your family. From the website, you can subscribe to a free monthly newsletter covering financial topics of interest to ADF members, veterans and their families.
- [Commonwealth Superannuation Corporation \(CSC\)](#) contains lots of information about your military superannuation, including invalidity benefits
- [MoneySmart](#) is a financial capability resource provided by the Australian Securities and Investments Commission. It offers a wealth of educational information about superannuation and more.
- [Super Consumers Australia](#) is an independent not-for-profit advocate associated with Choice (the Australian Consumers Association). Its resources include a "rule of thumb" retirement target to answer the question "how much do I need to save for my retirement?"
- [Licensed financial advisers \(aka financial planners\)](#) assist their clients to create long-term strategies for building wealth and managing risk. They can help you track, manage and balance your investment portfolio. They can also provide helpful advice on a range of other financial issues and decisions. You may be eligible to access \$1,000 towards professional financial advice through the [Defence Force Transition Program](#). Talk to your Transition Coach for more information. The [ADF Financial Services Consumer Centre](#) and [Moneysmart](#) have dedicated information on their websites to help you locate a financial advisor if you choose to go down that avenue.
- [Financial Counsellors](#) are skilled professionals who provide free information, advice and advocacy to people in financial difficulty. A financial counsellor can assess your financial situation and provide strategies and options if you're struggling with bills, cash flow and debts. There's more information, including how to access a counsellor, at <https://adfconsumer.gov.au/immediate-money-help>.



Websites

- Commonwealth Superannuation Corporation: <https://www.csc.gov.au/>
- Australian Taxation Office: <https://www.ato.gov.au/>
- Department of Veterans' Affairs: www.dva.gov.au
- YourSuper comparison tool:
<https://www.ato.gov.au/Calculators-and-tools/YourSuper-comparison-tool/>
- MoneySmart:
<https://moneysmart.gov.au/how-super-works/choosing-a-super-fund>
- ADF Member and Family Transition Seminars:
<https://www.defence.gov.au/adf-members-families/transition/seminars>
- ADF Financial Services Consumer Centre: <https://adfconsumer.gov.au/>
- Super Consumers Australia: <https://www.superconsumers.com.au/>
- Defence Force Transition Program:
<https://www.defence.gov.au/adf-members-families/transition/coaching-and-support/defence-force-transition-program>