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PROTECTING YOUR PARENTS' MONEY — AND YOUR OWN

A FAMILY GUIDE TO FINANCIAL ELDER ABUSE

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BY WEALTH ADVISER

Margaret is 74, sharp as ever, and proud of the independence she's maintained since her husband died six years ago. She pays her own bills, manages her own investments, and still drives to bridge club every Wednesday. She's exactly the kind of person who would never think of herself as vulnerable to financial abuse.

And yet, when her nephew rang last month asking her to go guarantor on a business loan — just temporarily, he said, just to help him through a rough patch — she found herself saying yes before she'd really thought it through. She hadn't spoken to her financial adviser. She hadn't read the documents. She just didn't want to say no to family.

Margaret's story is not unusual. Financial elder abuse — the illegal or improper use of an older person's money, property, or financial resources — is one of the most underreported

BEFORE YOU GET STARTED

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Around six in ten older Australians who experienced abuse of any kind did not seek help. For financial abuse specifically, only 30 per cent sought advice from anyone — though nearly eight in ten did take some action to stop it, most commonly by speaking directly to the perpetrator.

forms of harm in Australia. The national prevalence study conducted by the Australian Institute of Family Studies found that around 2 per cent of community-dwelling Australians aged 65 and over had experienced financial abuse in the previous 12 months. That translates to an estimated 67,000 to 100,000 older Australians. And because most cases go unreported, the true figure is almost certainly higher.

What makes financial elder abuse particularly difficult to confront is that it doesn't always look like theft. Sometimes it starts with a request that seems reasonable. Sometimes the person doing it doesn't even realise they're crossing a line. And unlike a scam from a stranger, the damage often comes wrapped in a relationship the older person values deeply — which is exactly why it's so hard to stop.

The threats you'd recognise — and the ones you wouldn't

Most Australians are now reasonably alert to scams. The Scamwatch campaigns, bank warnings, and media coverage of the past few years have raised awareness of phishing, impersonation fraud, and romance scams (these were covered in detail in a previous article in this series). Older Australians are disproportionately targeted by these schemes, and the financial losses can be devastating — but at least the threat is external, impersonal, and increasingly well understood.

Financial elder abuse within families is a different problem entirely. The AIFS study found that for financial abuse specifically, adult children are the largest group of perpetrators, accounting for around a third of cases. Sons were roughly twice as likely as daughters to be identified as the main perpetrator. The next most common groups were friends and service providers.

The forms it takes are varied. Pressuring a parent to lend or give money is the most commonly reported — cited by 42 per cent of those who experienced financial abuse in the AIFS study. But it also includes using an older person's bank account or credit card without proper consent, manipulating them into changing a will or signing over property, taking control of finances under the guise of "helping," and failing to honour financial agreements such as contributing to shared living costs.

The AIFS data also found that more than half of the main perpetrators of financial abuse were experiencing financial problems of their own, and more than a third had mental health issues. This doesn't excuse the behaviour, but it helps explain the dynamics. Financial elder abuse often emerges not from malice but from pressure, entitlement, or a gradual erosion of boundaries that neither party fully recognises until serious damage has been done. Some commentators have called it "inheritance impatience" — a sense, sometimes unconscious, that the older person's money is already "the family's" rather than their own.

Around six in ten older Australians who experienced abuse of any kind did not seek help. For financial abuse specifically, only 30 per cent sought advice from anyone — though nearly eight in ten did take some action to stop it, most commonly by speaking directly to the perpetrator. Taking legal action was more common for financial abuse than for other subtypes, but still only reported by 14 per cent.

Protecting yourself

If you're an older Australian reading this, the most important thing to understand is that financial abuse is not a reflection of weakness or poor judgment. It happens to people who are intelligent, capable, and engaged. The common thread is not vulnerability in the clinical sense — it's trust, and the willingness to help people you love.

There are practical steps that reduce the risk without requiring you to become suspicious of everyone around you.

Keep your financial affairs visible to more than one person. If you have a financial adviser, make sure they know who should and shouldn't have access to your accounts. If a family member offers to "help" with your banking or bills, consider whether you actually need the help — and whether accepting it concentrates too much control in one person's hands.

Be cautious about guarantees. Going guarantor on someone else's loan puts your assets at risk if they can't repay. Before agreeing to any guarantee, insist on independent legal advice — not from the person asking you to sign. A solicitor who acts for you alone can explain the implications in plain language, including the worst-case scenario.

Understand what you're signing. If someone presents you with a document and says "just sign here," that's a reason to slow down, not speed up. Whether it's a loan agreement, a property transfer, a change to your will, or a new power of attorney, you have every right to take the document away, read it at your own pace, and get independent advice before committing.

Review your power of attorney. If you have an enduring power of attorney in place (covered in detail in a previous article in this series), consider whether the person you appointed is still the right choice and whether the document includes adequate safeguards. You can revoke or amend a POA at any time while you still have capacity. If you're unsure whether your current document is still fit for purpose, a conversation with your solicitor is one of the most practical things you can do.

Talk to your adviser. Financial advisers see patterns across many clients and are often well placed to notice early warning signs — unusual withdrawals, pressure to liquidate investments, or a sudden new "helper" making decisions on your behalf. Letting your adviser know your wishes clearly, including who you do and don't want involved in your financial affairs, creates an additional layer of protection.

Protecting someone you love

If you're a son, daughter, or family friend of an older person, the picture looks different. You may be the one noticing changes that the older person themselves can't or won't see. You may also be the one feeling uncomfortable about a sibling or other family member whose relationship with the older person seems to be shifting in ways that don't feel right.

The signs are not always dramatic. Watch for patterns rather than single events. An older parent who was previously independent but is now relying on one family member for all financial decisions. Unexplained changes to a will or power of attorney, particularly if they coincide with the involvement of a specific person. Unpaid bills in a household that should be comfortably managing its expenses. A parent who seems anxious or evasive when asked about money. New debts or withdrawals that don't match the person's usual spending. A family member who becomes defensive or obstructive when others ask questions about the older person's finances.

None of these individually proves abuse. But a cluster of them warrants a conversation — ideally with the older person first, gently and privately, and then with a professional if the concern persists.

Starting that conversation is the hardest part. Older people may be reluctant to acknowledge the problem because they feel ashamed, because they don't want to cause family conflict, or because they're genuinely afraid of the consequences — particularly if the person involved is also their carer or the person they depend on for daily support. Approaching the conversation with care, without accusations, and with a focus on the older person's safety and wishes is far more likely to produce a result than a confrontational intervention.

If you suspect that an older person is being financially abused, several avenues are available. The national elder abuse helpline (1800 ELDERHelp, or 1800 353 374) provides free, confidential advice and will redirect you to the service in your state or territory. If the abuse involves misuse of a power of attorney, a family member or other interested person can apply to the relevant state or territory tribunal (such as NCAT in New South Wales, VCAT in Victoria, or SACAT in South Australia) to have the POA reviewed or revoked. Banks are also expected under the Banking Code of Practice to take reasonable steps to identify and respond to signs of financial elder abuse, and can place holds or restrictions on accounts where they have concerns.

Power of attorney: protection and risk

An enduring power of attorney is one of the most important protective documents a person can have — but it can also become the mechanism through which financial abuse occurs. A POA that gives a single person unrestricted authority over all financial affairs, with no reporting obligations and no oversight, is an invitation to misuse, however well-intentioned the original appointment may have been.

Safeguards that can be built into a POA include appointing two attorneys to act jointly (requiring both to agree before any action is taken), requiring the attorney to provide regular financial reports to a nominated third party, limiting the types of transactions the attorney can undertake without independent approval, and specifying that the POA only activates when a medical practitioner certifies that the principal has lost capacity — rather than being effective immediately.

These provisions vary in their availability and enforceability across states and territories, so legal advice specific to your jurisdiction is essential. The key point is that a POA doesn't have to be all-or-nothing. It can be tailored to provide meaningful protection while still giving the right person the authority to act when needed. While misuse of a power of attorney can constitute a criminal offence under fraud, theft, or breach-of-trust provisions in every Australian state and territory, there is no single agency that proactively oversees how attorneys exercise their powers — which makes the design of the document itself, and the choice of who to appoint, the primary lines of defence.

If you set up a POA some years ago and haven't reviewed it since, this is a good prompt to do so — particularly if your circumstances, relationships, or health have changed. The earlier article in this series on power of attorney covers the framework in detail.

What advisers and families can do together

Financial advisers occupy an unusual position in the elder abuse landscape. They see their clients' financial affairs regularly, they notice changes in behaviour and

spending patterns, and they often have long-standing relationships built on trust. That makes them a valuable early-warning system — but only if the lines of communication are clear.

If you're an older client, consider giving your adviser explicit permission to raise concerns with a nominated family member if they observe something that worries them. This doesn't mean giving that family member control — it means creating a safety net that respects your autonomy while providing a backstop if something goes wrong.

If you're a family member, consider asking — gently — whether your parent has thought about who their adviser should contact if they have concerns. Many older Australians haven't had this conversation, and framing it as a practical safeguard rather than a test of competence makes it easier to raise.

For families navigating these conversations, a few principles help. Start early, before there's a crisis. Focus on the person's wishes and autonomy, not on control. Keep the conversation about safety and planning, not blame. And recognise that the goal is not to prevent the older person from making their own decisions — it's to make sure they're making those decisions freely, with full information, and without pressure from anyone.

Financial elder abuse thrives in silence, isolation, and the absence of safeguards. The most effective protection isn't a single document or a single conversation — it's a culture within the family where money is discussed openly, where the older person's independence is respected, and where enough people are paying attention that problems are noticed before they become catastrophic.

If something doesn't feel right, trust that instinct. And if you're not sure where to start, your financial adviser and your solicitor are both good first calls.

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WHY FUEL COSTS WHAT IT DOES — AND WHAT IT MEANS FOR THE REST OF YOUR MONEY

BY WEALTH ADVISER

If you filled up your car in late March 2026, you already know something has gone seriously wrong with fuel prices. Regular unleaded hit a national average of around $2.53 per litre – an all-time record – before the government stepped in with an emergency excise cut on 1 April. Diesel, which powers the trucks that move almost everything Australians buy, reached even more punishing levels above $3.00 per litre in some cities.

The government's decision to halve the fuel excise from 52.6 cents to 26.3 cents per litre for three months will take some of the immediate sting out – roughly $19 off a 65-litre tank, once the lower-taxed fuel works through the supply chain. But the excise cut treats the symptom, not the cause. And the cause is worth understanding, because it explains not just why petrol is expensive right now, but why the effects are flowing through to grocery prices, airfares, interest rates, and the value of your mortgage repayments.

The part of the story you haven't heard

Most of the media coverage has focused on the oil price. Brent crude climbed above US$116 a barrel in March, and that number gets the headlines. But crude oil is only the raw ingredient. What you put in your car, what powers a truck, and what keeps a plane in the air is refined product – petrol, diesel, and jet fuel – and the refined product market is under greater stress than the crude market.

The difference matters. When Russia invaded Ukraine in 2022, global oil markets experienced a severe price shock, and refinery margins spiked as supply chains scrambled to adjust. But the disruption was largely one of trade redirection – Russian oil eventually found new buyers in Asia, and global refining capacity adapted. The system strained, but it adjusted over time.

The 2026 crisis involves more severe supply-chain bottlenecks, particularly for refined products. The closure of the Strait of Hormuz – the narrow waterway between Iran and the Arabian Peninsula through which roughly a fifth of the world's oil supply normally passes – has disrupted an estimated 14 to 15 million barrels per day of crude transit. Several emergency measures have partially offset the crude shortfall: the IEA reportedly coordinated a record strategic reserve release, Saudi Arabia ramped pipeline exports, and the UAE increased alternative pipeline throughput. Together, these have prevented the crude price from spiralling to the levels many feared.

But for refined products, the buffers are far thinner. The

Australia is unusually exposed to this particular type of disruption. The country imports roughly 90 per cent of its liquid fuel as refined product from Asian refining hubs. South Korea supplies around 32 per cent, with Singapore and Malaysia making up most of the remainder.

Strait normally carries around 5 to 6 million barrels per day of finished fuels – petrol, diesel, and jet fuel – representing roughly a fifth of all seaborne trade in refined products globally. Unlike crude, there are very limited alternative routes through which these products can bypass the chokepoint, and the ones that exist add significant cost and time.

The problem compounds from there. Around 80 per cent of the crude that normally transits the Strait flows to Asian refineries. With that feedstock disrupted, refineries across the region have reportedly reduced output. According to industry estimates cited by Clime Investment Management, China's Sinopec has cut throughput by more than 10 per cent, Singapore's major refineries are operating at 50 to 60 per cent of capacity, and total Asian run cuts may be in the range of 4 to 5 million barrels per day. These are early estimates and the full picture is still emerging, but the direction is clear: the shortfall in finished fuels is far larger than anything the crude-market buffers can address.

The result is that while the crude oil price has stayed below its 2022 peak, refined product prices are reported to be well above their 2022 levels. The jet fuel crack spread, according to industry data, is running at close to double its 2022 high – which is why Qantas has raised international fares and other airlines are cutting routes entirely.

Why this matters at your kitchen table

Australia is unusually exposed to this particular type of disruption. The country imports roughly 90 per cent of its liquid fuel as refined product from Asian refining hubs. South Korea supplies around 32 per cent, with Singapore and Malaysia making up most of the remainder. Australia's two remaining domestic refineries – Ampol's Lytton in Brisbane and Viva Energy's Geelong facility – provide a partial buffer, but they meet less than 20 per cent of national consumption and source their crude primarily from Southeast Asia and Africa, not the Gulf.

The important point is that Australia doesn't need to import directly from the Middle East to be affected by a Middle Eastern supply disruption. The refineries that make our fuel depend on Gulf crude. When those refineries cut output, the fuel available for export to Australia shrinks – regardless of where the crude originally came from.

At the household level, the effects flow through three channels.

The first is the one you feel directly: the cost of filling your car and heating your home. Even with the excise cut now in place, petrol prices are likely to remain well above the $1.80 to $2.00 range that Australians had grown accustomed to over the past year. The excise relief lasts until 30 June, and unless the Strait reopens or refinery capacity recovers substantially in that window, prices will likely rise again when it expires.

The second channel is less visible but equally important: the cost of everything that moves by truck, ship, or plane. Diesel is the fuel of logistics. When diesel prices rise by 30 or 40 per cent, the cost of transporting food from farm to warehouse to supermarket rises with it. So do the costs of construction materials, online deliveries, and any product that travels a significant distance before reaching the consumer. These increases don't appear on a fuel receipt – they appear as higher grocery bills, more expensive building quotes, and rising prices for goods and services across the economy.

The third channel is the one that connects the fuel crisis to your mortgage, your super, and your savings rate: inflation, and the Reserve Bank's response to it.

From the bowser to the cash rate

The RBA has already hiked the cash rate twice in 2026 – from 3.60 per cent to 3.85 per cent in February, and again to 4.10 per cent in March – reversing the three rate cuts delivered in 2025. In its March statement, the Board noted that the conflict in the Middle East had resulted in sharply higher fuel prices, that short-term inflation expectations had already risen, and that there was a material risk inflation would remain above target for longer than previously anticipated.

Energy prices feed directly into the Consumer Price Index. Petrol is one of the most volatile components of the CPI, and because it affects transport costs throughout the supply chain, its inflationary impact extends well beyond the "automotive fuel" line item. The RBA's concern is not just that fuel is expensive right now – it's that sustained fuel price increases could become embedded in broader price expectations, making inflation stickier and harder to bring back to the 2 to 3 per cent target band. Fuel is not the only factor in the RBA's calculations – wages growth, housing costs, and services inflation all play a role – but the energy

shock has added a layer of pressure that was not in anyone's forecasts six months ago.

For households with a variable-rate mortgage, the connection is immediate. Each 0.25 percentage point increase in the cash rate adds roughly $75 to $80 per month to repayments on a $600,000 loan. Two hikes in two months means an additional $150 to $160 per month on top of the fuel and grocery cost increases already hitting the household budget. If the RBA hikes again – and futures markets are pricing in a meaningful probability of at least one more increase – the cumulative pressure is substantial.

For savers, rising rates have an upside: deposit rates have followed the cash rate higher, with some savings accounts now offering above 4.5 per cent. For retirees drawing income from account-based pensions, the effect depends on the portfolio – rising rates tend to support cash and short-term fixed income returns, but can weigh on bond prices and growth assets in the short term.

The key uncertainty is duration. If the Strait reopens relatively quickly – through a ceasefire, a negotiated arrangement, or a military resolution – fuel prices would be expected to normalise within months, and the inflationary pressure would prove temporary. In that scenario, the RBA would likely hold or even reverse course once it was clear that inflation was falling back toward target.

If the disruption persists into the second half of 2026, the picture is harder. Sustained high fuel prices would keep upward pressure on inflation, limit the RBA's ability to ease, and extend the squeeze on household budgets. Businesses that rely on transport – agriculture, construction, retail logistics – would face margin pressure that could flow through to employment decisions. The combination of high fuel costs, high interest rates, and high grocery prices is the scenario that worries economists most, because each element reinforces the others.

What no one can predict – and what you can plan for

Nobody knows how long the Strait of Hormuz will remain closed. Geopolitical forecasting is not a skill that belongs in a financial planning newsletter, and anyone claiming certainty about the timeline is guessing.

What is worth recognising is that regardless of how this particular crisis resolves, Australia's dependence on imported refined fuel is a permanent structural feature of the economy. The country closed five of its seven refineries over the past two decades. It holds roughly 29 days of petrol reserves and 25 days of diesel – thin by international standards. When the global refined product market tightens, Australia feels it quickly and has limited domestic options to cushion the blow.

That doesn't mean households should plan around worst-case energy scenarios. It means that the kind of cost-of-living shock we're experiencing right now – one that arrives suddenly, through a supply chain most people never think about – is the type of event that financial resilience is designed to absorb. Emergency savings buffers, manageable debt levels, diversified income sources in retirement, and the flexibility to adjust spending when external costs spike: these are the fundamentals that matter most when the world delivers a surprise.

If you're feeling the squeeze right now, you're not alone, and you're not doing anything wrong. Petrol at $2.50 a litre and interest rates at 4.10 per cent is a combination that would test any household budget. The excise cut will help at the margin. The rest comes down to the plans, structures, and buffers that are already in place – or that this moment might prompt you to build.

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THE 1 JULY RESET

WHAT A CLUSTER OF BIG CHANGES MEANS FOR YOUR HOUSEHOLD

BY WEALTH ADVISER

David and Michelle sit across from each other at the kitchen table on a Sunday evening in late June, laptops open, trying to make sense of what's about to change. David earns $92,000 as a project manager. Michelle works three days a week in aged care, earning $41,000. Between them, they have a mortgage, two teenagers, and a combined super balance that's finally starting to look like something.

From 1 July 2026, a cluster of changes to tax and superannuation take effect – a personal income tax cut, higher contribution caps, payday super, and the new Division 296 tax on very large super balances. Alongside these, the first superannuation payments on government Paid Parental Leave will also start landing in super accounts from July 2026, following a reform that took effect for births and adoptions from 1 July 2025. Some of these changes will put a few extra dollars in the household's pockets. Others will change how and when super arrives. One won't affect David and Michelle directly, but it signals a shift worth understanding regardless.

What's unusual about this period isn't any single change in isolation. It's that so many are arriving in the same window, and for households like David and Michelle's, several of them interact. Here's what's happening, what it means, and where it creates planning opportunities worth discussing with your adviser.

A small tax cut that reaches further than it looks

The most immediate change is a reduction in the personal income tax rate for the second bracket – the one covering taxable income between $18,201 and $45,000. That rate drops from 16 per cent to 15 per cent on 1 July 2026, with a further reduction to 14 per cent from 1 July 2027.

In dollar terms, the maximum benefit is $268 per year – roughly $5 per week – for anyone earning $45,000 or more. That's not a figure that changes anyone's life. But it applies to every taxpayer who earns above the tax-free threshold, because Australia's progressive system means even high earners pay the lower rate on that slice of their income.

For Michelle, earning $41,000, the saving is around $228 per year. For David, earning $92,000, it's the full $268. Combined, the household is roughly $496 better off – enough to notice, not enough to celebrate. The practical value lies less in the amount itself and more in how it interacts with other decisions. A small increase in take-home pay can make it marginally easier to redirect money into super via salary sacrifice, particularly with the higher contribution caps now available.

Those caps are worth noting. From 1 July 2026, the concessional (before-tax) contribution cap rises from $30,000

to $32,500 per year, and the non-concessional (after-tax) cap increases from $120,000 to $130,000. The general transfer balance cap – the limit on how much can be moved into the tax-free retirement phase – also rises from $2.0 million to $2.1 million. For anyone with unused carry-forward concessional cap amounts from 2020-21, this is the last financial year to use them – they expire permanently on 30 June 2026.

Payday super: your contributions arrive faster

From 1 July 2026, employers must pay superannuation guarantee (SG) contributions at the same time as salary and wages, with funds required to reach the employee's account within seven business days of each payday. This replaces the existing quarterly system, under which employers have up to 28 days after the end of each quarter to make SG payments.

For employees, the change is straightforward: super gets invested sooner. Under the old system, an employer could legally hold SG contributions for up to four months before they reached your fund. Over a working life, the compounding benefit of receiving contributions fortnightly rather than quarterly is meaningful – Treasury estimates it could add thousands of dollars to retirement balances for younger workers.

The change also makes it easier to spot when something has gone wrong. Under the quarterly system, many employees had no idea their employer was behind on super until the annual statement arrived. With payday super, contributions should appear in your fund within days of each pay cycle. If they don't, the gap is visible much sooner, and the ATO will have real-time visibility of late or missing payments from day one.

This was covered in detail in a previous article in this series, so for the full picture of how payday super works, what employers need to prepare, and how it interacts with salary sacrifice arrangements, that earlier piece is worth revisiting.

For David and Michelle, the practical effect is simple: both should see super contributions appearing in their fund accounts within a week of each payday, rather than arriving in a lump every few months.

Parental leave super: closing a gap that shouldn't have existed

Paid Parental Leave has attracted a 12 per cent government super contribution for children born or adopted from 1 July 2025, with the ATO paying that contribution directly to the recipient's super fund after the end of the relevant financial year. The first payments will land from July 2026. From 1 July 2026, the Parental Leave Pay entitlement itself increases from 24 weeks to 26 weeks.

This is a structural reform, not a windfall – but the numbers are more meaningful than many people realise. At the current Parental Leave Pay rate of $948.10 per week, a full 24-week entitlement generates roughly $2,730 in super contributions before any future minimum-wage indexation. On 26 weeks, that figure rises to around $2,960. Over a lifetime, the compounding effect is more significant again – the Super Members Council estimates that a mother of two children could be around $14,500 better off at retirement as a result.

The rationale is that time spent on government-funded parental leave should be treated the same as time spent at work, at least as far as super accumulation is concerned. For years, PPL was one of the few forms of income that attracted no SG – a gap that disproportionately affected women, who take the vast majority of parental leave. One detail worth noting: the PPL super contribution counts toward your concessional contributions cap, so anyone combining employer super, salary sacrifice, and PPL super in the same financial year should check that the total stays within the $32,500 limit.

This change was also covered in an earlier article. The key point for households planning ahead is that parental leave no longer creates a complete gap in super accumulation. It's a smaller contribution than most employees receive from their employer, but it's no longer zero.

Division 296: a new tax on large super balances

From 1 July 2026, Australians with total super balances above $3 million will face an additional 15 per cent tax on the proportion of their earnings attributable to the amount above that threshold – bringing the effective rate on those earnings from 15 per cent to 30 per cent. For balances above $10 million, a further 10 per cent applies, bringing the rate to 40 per cent. Both thresholds are indexed to CPI in increments of $150,000 and $500,000 respectively, so they will rise over time.

The legislation – the Treasury Laws Amendment (Building a Stronger and Fairer Super System) Act 2026 – passed Parliament in March 2026, after more than three years of consultation and redesign. A significant change from the original 2023 proposal is that the tax now applies only to realised earnings, not unrealised or "paper" gains. This was the industry's central objection, and the government accepted it.

The first measurement point is 30 June 2027, meaning the earliest any tax liability could arise is the 2026-27 financial year. Treasury estimates that fewer than 0.5 per cent of Australians will be affected at the $3 million level, and fewer than 0.1 per cent at $10 million.

For David and Michelle – with a combined super balance well below $3 million – this change has no direct effect. But it's worth understanding for two reasons. First, super balances can grow over decades, and someone well below the threshold today may approach it by retirement. Second, the change signals a broader policy direction: the government increasingly views super as a retirement income vehicle, not a wealth accumulation tool with indefinite tax advantages. That framing is likely to shape future policy, and understanding it helps when thinking about how much wealth to hold inside super versus outside it.

This was the subject of a detailed article in a previous issue of this series, including the mechanics of the proportional formula, the cost-base reset election for SMSF members, and the transitional rules. Readers with balances approaching $3 million should revisit that piece and discuss the implications with their adviser.

The bigger picture: what does it add up to?

Taken individually, none of these changes is dramatic for most households. A tax cut worth $5 a week. Super that arrives fortnightly instead of quarterly. A parental leave top-up that compounds over decades. Higher contribution caps that matter most to those in a position to use them. A new tax on very large balances that affects a fraction of the population.

Taken together, they represent a meaningful recalibration of the system. Lower earners get more support through the tax cut and — from 1 July 2027 — an expanded Low Income Superannuation Tax Offset (LISTO) that will raise the eligibility threshold from $37,000 to $45,000 and increase the maximum payment from $500 to $810. For Michelle, earning $41,000, that future change alone could be worth several hundred dollars a year in super top-ups. Higher earners retain the core advantages of super but face reduced concessions once balances pass $3 million. And everyone benefits from a system that gets super into accounts faster and closes gaps during parental leave.

For households looking at this from a planning perspective, a few observations are worth flagging. The combination of a small increase in take-home pay and higher contribution caps creates a window for anyone considering salary sacrifice. Even redirecting $20 or $30 per fortnight into super — roughly the value of the tax cut — turns a modest income boost into long-term retirement savings at a concessional tax rate.

The expiry of unused carry-forward concessional cap amounts from 2020-21 on 30 June 2026 is a hard deadline. If your total super balance was below $500,000 at 30 June 2025 and you have unused cap space from that year, this is the last opportunity to use it. After 30 June, those amounts are gone permanently.

And while the increased transfer balance cap of $2.1 million doesn't affect most working-age Australians today, it may open up non-concessional contribution opportunities for people approaching retirement whose balances have previously been near the threshold. Anyone in that position should check their eligibility before making decisions — the interaction between the transfer balance cap, the total super balance test, and the bring-forward rules can be complex, and getting it wrong has tax consequences.

Back at that kitchen table, David and Michelle don't need to act on every one of these changes. But understanding how they interact — and which ones create a planning opportunity — is exactly the kind of conversation that makes a financial review worthwhile.

Questions worth thinking about

As you look at these changes in the context of your own situation, a few questions are worth considering before your next review.

Are you making the most of the higher concessional contribution cap — and do you have any unused carry-forward amounts from 2020-21 that expire on 30 June 2026?

If you're on parental leave or planning to be, do you understand how the new PPL super contribution interacts with your employer's own parental leave arrangements?

With payday super starting, is your super fund set up correctly to receive more frequent contributions — and do you know how to check that contributions are arriving on time?

If your super balance is growing toward $3 million over the longer term, have you considered the trade-offs between holding wealth inside super versus outside it?

And if someone in your household earns under $45,000, are you aware of the expanded LISTO coming from 1 July 2027 — and is salary sacrifice still the best strategy, or would other contribution approaches deliver a better result?

These are the kinds of questions your adviser can help you work through in the context of your full financial picture.

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Q&A: Ask a Question

Question 1

I've heard that from 1 July 2026, my employer has to pay super more frequently. What's actually changing and what does it mean for me?

From 1 July 2026, employers will be required to pay superannuation guarantee contributions at the same time as your salary and wages, rather than on a quarterly basis. Under the current system, employers have up to 28 days after the end of each quarter to make SG payments, which means your super could legally sit unpaid for up to four months before reaching your fund.

Under the new rules, known as "payday super," contributions must reach your super fund within seven business days of each payday. For most employees, this means super will land in your account each pay cycle – whether that's weekly, fortnightly, or monthly – rather than in a lump sum every few months. Over a working life, having your contributions invested sooner means more time for compounding, which can make a meaningful difference to your retirement balance.

The change also makes it easier to spot problems. If your employer misses a payment, you'll notice the gap within days rather than waiting for your annual statement. If you're unsure whether your fund is set up to handle more frequent contributions, it's worth checking with your adviser or your super fund ahead of 1 July.

Question 2

I've been hearing more about financial elder abuse. What does it actually look like, and how can I help protect my parents – or myself?

Financial elder abuse is the misuse of an older person's money, property, or financial resources, and it's more common than many people realise. Research suggests that tens of thousands of older Australians experience it each year, and the majority of cases go unreported. What makes it particularly hard to confront is that the perpetrator is often a family member – sometimes an adult child facing financial pressures of their own.

It doesn't always look like theft. It can start with pressure to lend money, a request to go guarantor on a loan, or a family member gradually taking control of banking under the guise of helping. Warning signs include unexplained changes to a will or power of attorney, unpaid bills in a household that should be managing fine, or a parent who becomes anxious or evasive about money.

If you're an older Australian, keeping your financial affairs visible to more than one trusted person is one of the most practical steps you can take. If you're a family member with concerns, the national elder abuse helpline on 1800 353 374 offers free, confidential advice. Your financial adviser can also play an important role in noticing early warning signs and helping put safeguards in place.

Question 3

With fuel prices, interest rates, and grocery costs all rising at once, how do I know if my finances can handle it – and what should I be doing?

The combination of higher fuel prices, rising interest rates, and increasing grocery costs is putting real pressure on household budgets. When several cost increases hit at the same time, even well-managed finances can feel stretched. This is exactly the kind of situation that a financial buffer is designed to absorb.

A good starting point is to check whether you have enough accessible savings to cover at least three to six months of essential living expenses. This might sit in a high-interest savings account or an offset account – somewhere you can reach it quickly without selling investments or drawing on super. If your buffer is thinner than you'd like, even small, regular contributions can rebuild it over time.

It's also worth reviewing your cash flow to see where discretionary spending can be trimmed temporarily, and whether any fixed costs – like insurance premiums or subscriptions – are due for a comparison. For retirees drawing a pension, checking that your drawdown rate still makes sense given current market conditions is equally important. Your adviser can help you stress-test your position and identify adjustments that ease the pressure without derailing your longer-term plan.

With all these topics, there is no single "right" choice. Your personal situation matters, and you should seek advice from a licensed financial adviser to understand what is most appropriate for you.