

# CEASED WORK AND CLAIMING JOBSEEKER?

## What it Means for Your Super

If you've stopped working in your early 60s and are receiving JobSeeker Payment (JSP) while waiting to access your super or the Age Pension, there's an important rule you need to understand. The conditions attached to JSP can directly conflict with the rules for releasing your superannuation, potentially leaving your retirement savings locked away longer than you expected.

### The Conflict Explained

There are two ways to access your super under the retirement condition of release once you've reached age 60. The first requires satisfying your super fund that you have no intention of ever again being gainfully employed for 10 or more hours per week. The second is simpler, you just need to have ceased a gainful employment arrangement after turning 60.

The problem with the first pathway is that JobSeeker recipients must agree to accept any offer of suitable paid work. You can't declare to your super fund that you never intend to work again while also assuring Centrelink that you'll accept suitable job offers. The two positions are incompatible.

The second pathway is also unavailable if you ceased work before turning 60, because it specifically requires the employment arrangement to end *after* you've reached that age. In this situation, your super may remain inaccessible until age 65, when it becomes available regardless of your work status.

### Pathways that may still be available

The good news is that this doesn't necessarily mean your super is out of reach. There are alternative pathways worth exploring with an adviser.

### Transition to Retirement (TTR) income stream.

Once you've reached age 60, you can commence a TTR pension to draw on your super while still satisfying JobSeeker requirements. You're limited to drawing 10% of the account balance each year, and the balance will count under Centrelink's assets and income tests, which may reduce your JSP.

**Severe financial hardship provisions.** This is an often-overlooked pathway. If you've received JobSeeker (or another qualifying Commonwealth income support payment) for a cumulative period of 39 weeks after reaching your preservation age, and you're not currently gainfully employed, your entire super balance can become accessible. This is a particularly powerful option because, unlike the standard hardship provision (which only allows a single withdrawal of between \$1,000 and \$10,000 per year), this pathway unlocks your full balance.

### The Bottom Line

The interaction between Centrelink rules and superannuation law can be complicated, and decisions made without proper advice can have unintended consequences including delayed access to your retirement savings.



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