

Insurances in Australia

When planning your temporary or permanent migration to Australia, it is important to ensure you have thought through aspects of any insurances that you (and your dependents) may need to purchase. While health care cover might be required as a part of your visa conditions, obtaining insurance policies for other aspects of your life will allow you to embark on your journey with peace of mind.

Remember, this is general advice only. You should always do your own research and where necessary seek out the advice of professionals to help with your circumstances.

Superannuation and life insurance

Australia's superannuation system is the main way most people save for their retirement. Superannuation is commonly referred to as 'super' in Australia, is a long-term savings investment that grows over time. The purpose of accumulating funds in your superannuation account is to support you when you retire.

The employer superannuation contribution is compulsory in Australia and the current rate is 11.5%, as of 1 July 2024. The percentage of income required to be placed into a superannuation fund increases from time to time, therefore, it is important to visit the [Australian Taxation Office](#) website for up-to-date information.

Usually, you cannot withdraw the funds from your super until retirement, however, if you are staying in Australia temporarily or you meet specific criteria you may be eligible for withdrawing your funds earlier.

Employers are required to select a default nominated superannuation fund for employees who do not have a nominated superannuation fund. However, there are multiple superannuation fund providers and your choice of fund can significantly affect super performance and benefit outcomes.



Some superannuation fund providers offer life insurance (sometimes called death benefit) at an extra cost and some providers include it automatically as a part of their fund membership. Other types of insurance policies available under superannuation membership include Term Life cover, Total and Permanent Disability (TPD) cover and Income Protection cover. It is important to review your fund's performance and the policies they provide periodically to ensure that it best suits your need. You will also need to ensure that you provide the details of your superannuation fund membership to your employer so that they can make regular compulsory contributions to your dedicated account.

You can access the list of all superannuation providers [here](#) and compare their services individually.

Tip: You must ensure you maintain valid health insurance required for your visa subclass. You can check your visa condition online [here](#) and seek professional advice from an authorised person about your visa requirements.

Life insurance versus private health insurance

Life insurance and private health insurance are two main types of insurances which are available and popular to purchase in Australia. It is important to understand what each type of insurance covers and for private health insurance, to decide what standard and level of health services you would like to access for yourself, as well as your family members.

Life insurance

Life insurance cover provides protection across the following: income protection, critical illness, total and permanent disability (TPD) and insurance in case of death. If you hold a temporary visa, you may have been requested to apply for overseas health cover, which might also include life insurance. Life insurance may also be covered by your superannuation scheme and premiums covered within the contribution amount. If life insurance is not provided as part of any of your existing insurance policies then you may wish to purchase it separately depending upon your circumstances.

The Australian government offers a free online tool called [Moneysmart](#) to help you calculate life insurance cost based on your assets and insurance needs. You can also find out more about different types of insurance in detail to help you better understand the Australian Health System.

Private Health insurance

Many Australian residents have private healthcare insurance policies, which typically offers shorter waiting times and a broader range of services that are not covered by Medicare. Under private health policy cover, policy holders can access broader medical services such as dental, optical and physiotherapy services. Access to those services depends on the type of the private health cover you have. There are three types of private health insurance – ‘*hospital*’ that covers the cost of hospital accommodation and associated fees, ‘*extras*’ which provides benefits for dental, optical and physiotherapy treatment, and ‘*combined*’ cover which combines both hospital and extras cover in a single policy.

Payment for private health insurance usually occurs in regular, weekly or monthly payments to your selected provider. It is important to know that General Practitioner (GP) visits, diagnostic tests and imaging are usually not covered by private health insurers by law.

It is essential to compare policies to find the most suitable one for your circumstances. There are online comparison tools which include [Privatehealth.gov.au](#) launched by the government. The tool lists all registered health insurers and provides all necessary information to make a considered decision.



Tip: If you hold a temporary visa you might be eligible for Medicare coverage. Check if your country is a part of [Reciprocal Health Care Agreements](#) to find out if you can apply for Medicare.

Home and contents and renter's insurance

Home insurance, also known as building insurance, covers the physical structures of a home you own, that is, the physical building. Contents insurance on the other hand, covers the inside of the property such as the fixtures and your personal belongings. The events that are covered usually depend on the insurer and policy you choose. Some insured events include fire, theft, storm, cyclone or lightning, vandalism, explosion and more. If you are renting a property, it is advisable to review if contents insurance suits your circumstances (i.e. renter's insurance).

There are websites available where you can compare different policies and providers, for example [Finder](#), [Canstar](#), [iSelect](#), or [Choice](#). The information provided is usually up to date and it will help you make the best decision for your personal preferences and budget.