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Removal of \$450 threshold a huge win for working people

After years of campaigning by the Australian union movement, the Morrison Government finally introduced legislation today to remove the \$450 minimum threshold for superannuation guarantee contributions, marking a significant step towards workers being paid super on every dollar earned.

Years of coordinated political and public campaigning by workers and their unions, especially the ASU, SDA and ANMF have led to this outcome. No worker should miss out on superannuation, and this is an important step to take as more workers are forced to work casual and multiple jobs.

The abolition of the threshold will abolish a key barrier to women, Aboriginal and Torres Strait Islanders and low-income earners accumulating superannuation. Women retire with less than half the superannuation of men, on average, and are disproportionately affected by the threshold. Older women are the fastest growing cohort of homeless Australians, it is critical that they retire with equal super to men.

Barriers still exist and it is imperative that the Morrison Government legislates to ensure that superannuation is paid on parental leave, and to increase the superannuation guarantee to 15 per cent. Currently the average worker runs out of super 10 years before they die.

Super must be put into the National Employment Standards to ensure that workers who have had their super stolen can easily recover it. Tax concessions in super must also be reformed to be progressive and ensure that low-income earners are assisted in saving while removing the unjust benefits that the already wealthy enjoy.

Quotes attributable to ACTU Assistant Secretary Scott Connolly:

“Abolishing the \$450 superannuation threshold is a great win for workers – unions have been fighting for this for years – this is an important step towards securing a secure retirement for all working people.

“As women retire on average with half the amount of super than men, to close the gap, we must go further, and the Government should immediately legislate for superannuation to be paid on employer and Government provided parental leave.

“The Government should also urgently legislate for super in the National Employment Standards to ensure that workers who have had their super stolen can action the recovery.

“This is a great win after a long campaign, but the fight for essential improvements to the system, and an increase to 15 per cent guaranteed, will continue.”

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