

Wednesday, 22 April, 2015

ALP super policy a step in the right direction

Australian Unions welcome the Labor Party's superannuation policy as a step in the right direction and urge both major parties to do more to increase the retirement saving of lower income earners.

There is a growing consensus that present tax settings are failing millions of workers and families who deserve a decent standard of living when they retire.

Unions believe more needs to be done to make our super system work better for the large majority of working Australians.

This includes:

- Taxing contributions at marginal rates, minus a rebate. This will make taxation fairer and generate revenues to help maintain the value of entitlements like the Age Pension.
- A bi-partisan commitment by all major parties to increase the Super Guarantee to 15 per cent is the single most effective way to increase the retirement incomes of most workers
- Until we get more progressive taxation of super, keep the Low Income Super Contribution (LISC), which the Coalition Government will end in 2017.

Quotes attributable to ACTU Secretary Dave Oliver:

"With the budget only a few weeks away, now is the time for the Coalition Government to take action on super and ensure all Australians are better off in retirement – not just the wealthy.

"The ALP's super policy is a step in the right direction however unions call on both parties to do more to boost the retirement savings of lower income earners.

"With the budget only a few weeks away, now is the time for the Coalition Government to take action on super and ensure all Australians are better off in retirement – not just the wealthy.

"More than eight million Australian workers would benefit from an increase in compulsory super contributions and unions urge both major parties to make this a priority.

"Increasing compulsory super to 15 per cent will deliver greater financial security for workers, address the problems of an ageing population and support the economy with investment in national infrastructure and jobs.

"The LISC helps boost the retirement savings of almost 3.6 million workers who earn \$37,000 per year or less and must be preserved."

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