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Lift in superannuation will deliver higher living standards for millions of working Australians

Millions of working Australians will enjoy higher living standards in retirement as a result of the superannuation changes announced by the Federal Government in its response to the Henry Tax Review says the ACTU.

Unions strongly welcomed the move by the Rudd Government to lift universal superannuation contributions from the current 9% to 12% by 1 July 2019.

The economy will also benefit from the changes, with a projected \$85 billion to be added to national savings over the next 10 years, helping to fund jobs and infrastructure says ACTU Secretary Jeff Lawrence.

“The lift in the Superannuation Guarantee and a new Government contribution to low paid workers’ superannuation accounts are big wins for working Australians and unions,” said Mr Lawrence.

“The new measures will deliver an extra \$108,000 in retirement for a 30 year old who today earns average full time wages.

“They are a major step towards making the labour movement’s dream of a more comfortable retirement for all working Australians a reality.”

“Unions have been pressing for an increase in superannuation and we are delighted to see the Rudd Government announce a clear path to achieve this goal.

“The lift in the superannuation guarantee and the improvements to tax concessions for low income workers are major planks that build on the deal made with working Australians and unions almost two decades ago to establish universal superannuation.

Unions have welcomed the centrepiece of the Federal Government’s initial response to the Henry Tax Review – a package of measures to give working people greater financial security in retirement and to secure jobs by investing in national infrastructure and make businesses more efficient.

“Using a new tax on the super profits of resource companies to fund a package of superannuation concessions, infrastructure investment, and to simplify business taxes makes good economic sense.

“All Australians should benefit from the resources boom – not just the highly profitable mining companies,” said Mr Lawrence.

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