

22 November 2013

## Productivity Commission cracks the whip on older workers

The ACTU today rejected a recommendation by the Federal Government's top policy agency to lift the retirement age to 70, as out of touch with the reality of life for Australian workers.

ACTU President Ged Kearney said the proposal by the Productivity Commission ignores the reality that while life expectancy may have risen, the ability of Australians to work in physically demanding jobs or maintain secure employment hasn't risen with it.

"If the Government wants to reduce budget pressures as the population ages, it should strengthen the superannuation system rather than raise the pension age," Ms Kearney said.

"A strong superannuation system lets ordinary workers retire with security and quality of life and takes pressure off the pension system.

"The Government should reduce the superannuation tax concessions that disproportionately benefit high income earners and move as quickly as possible to compulsory 12 per cent superannuation contributions to ensure that ordinary workers can afford a decent standard of living in retirement.

"We know many older workers struggle to get full-time secure work and making them wait until 70 to get their pension and superannuation could leave them in limbo for years.

"How can construction workers be expected to haul concrete around a work site or a childcare worker keep up with a room full of kids until they're 70?"

"Lifting the retirement age is a quick fix policy response to the complex issue of addressing the needs of our ageing population and ignores the reality for Australian workers.

"We want to see older workers supported to engage and contribute meaningfully with the community and workforce for as long as they chose but a more considered approach by Government is needed here.

"Ensuring workers get access to training throughout their working lives so they have the skills needed for the modern economy is an obvious place to start."

Ms Kearney said that Australian workers are getting sick of bearing the brunt of every policy decision the Abbott Government makes.

"Mr Abbott said he'd govern for all Australians but so far we've only seen him look out for big business," Ms Kearney said.

"So far the Abbott Government has cut superannuation for low-income earners and put off the increase to 12 per cent superannuation contributions.

"It is a major concern that the Productivity Commission thinks making life harder for older workers is the solution to budget pressures. This is the same organisation that will be reviewing the Fair Work Act and workers have every reason to be alarmed by their approach."

**Media contact:**  
**Carla De Campo ph 0410 579 575**