

Thursday 1 July 2021

## Superannuation Guarantee increase a step towards secure retirement

Unions welcome the Superannuation Guarantee increasing to 10 per cent today but much more remains to be done. The Morrison Government must abandon its campaign to repeal the remaining legislated increase, cease its undermining of the compulsory, preserved system, which is delivering for working people, and publicly commit to its election promise of the Superannuation Guarantee rising to 12 per cent.

The increase was overdue, and further increases to take the guarantee to 12 per cent are essential as workers on average currently run out of retirement savings 10 years before they die.

Liberal Governments have delayed the promised rise in superannuation since 2014, they cut the pension in 2016, and are responsible for the gender retirement gap that sees women over 50 becoming the fastest growing cohort of homeless Australians.

The increase will be most impactful for workers on low and middle incomes, who have no other means to save for retirement. Low- and middle-income workers will retire with tens of thousands more.

Thanks to the campaigns of working people, workers on awards this year will enjoy a 2.5 cent wage increase and a 0.5 per cent superannuation increase.

### Quotes attributable to ACTU Assistant Secretary Scott Connolly:

“After eight years of stagnant wages and with \$36 billion withdrawn from super during Morrison’s destructive early access scheme the increase of the superannuation guarantee to 10 per cent is the first step among many to achieving retirement income adequacy for working people.

“Every Liberal Government since 2014 is responsible for gendered retirement inadequacy through their decision to delay the super increase. The superannuation guarantee must continue to increase to 12 per cent to ensure that all working people have a secure retirement as legislated, and a pathway must be set out to reach 15 per cent.

“Despite this rise, there remain many gaps and inequities in the superannuation system. Women retire with less than half of the superannuation of men, on average, and Aboriginal and Torres Strait Islander workers face even worse retirement outcomes. The systemic barriers to super need to be abolished, the \$450 threshold should be abolished immediately as promised in the last Federal budget, superannuation must be paid on parental leave and

“Many more workers are unfairly not paid super, gig economy workers, contractors and young workers. Workers have more than \$6bn in superannuation stolen each year and are unable to take action to recover their super. These growing gaps in our retirement accumulation system must be closed to ensure everyone retires with adequacy.

“The Government must reverse Morrison’s cuts to the pension in 2016 and raise the pension to ensure no-one is in poverty in retirement, especially those renting and in retirement. The Government has continually focused on protected and expanding tax concessions for the wealthy in superannuation and retirement, while forcing more workers into retirement income poverty.

“There is much work to be done to improve our retirement income system. Ensuring superannuation reaches 12 per cent is one part of that. Superannuation must be paid to every worker on every dollar earned.”

**Media contact:** Isabella Tilley 0414 894 040