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Australians risk losing hundreds of thousands in retirement income under Coalition super proposal

The ACTU warns that the current push by Coalition members to cut superannuation will cost the average 30-year-old worker around \$165,000 in retirement income.

Key Coalition members, including Alex Antic, Matt Canavan and Llew O'Brien, have voiced support for cutting the superannuation guarantee rate from 12 per cent to 9 per cent if the Coalition wins the upcoming election.

The reduction of 3 per cent in compulsory employer-paid superannuation, with the accompanying decline in compounding returns, will mean that the average 30-year-old worker today will lose around \$165,000 in retirement income, according to ACTU estimates.

The Coalition members' reported comments raise questions about how far the Coalition will go to undermine the hard-won entitlements of Australian workers.

In a Sydney University speech in October last year, Shadow Treasurer Angus Taylor stated that the Coalition's ambition included "aligning superannuation with other global retirement schemes – like [the United States of America's] 401k."

Australia's superannuation system is consistently ranked one of the best in the world and allows Australians to retire with significantly more retirement income than the mediocre US system provides.

Quotes attributable to ACTU Assistant Secretary, Joseph Mitchell:

"Working Australians can't afford to lose \$165,000 or more in retirement income. Super is a workplace right and should be protected, not attacked by out-of-touch politicians.

"The Coalition members suggesting a reduction in the superannuation guarantee are very happy to continue to receive 15.4 per cent superannuation for their own retirements. The Coalition's hypocrisy is unbelievable - they want to enjoy the benefits of super for themselves while robbing working people of it.

"The last time the Coalition were in power, they froze super and forced people to raid their super to get by in a pandemic. Now, they're talking about cutting super and getting workers to raid what's left for more expensive houses.

"It's clear that working people's wages and retirement savings are at risk under Peter Dutton.

"Working people, through their unions, built a world-class superannuation system. We will defend super for future generations because every worker deserves a comfortable and dignified retirement."

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