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### Super relief: AIST welcomes stability for Australians saving for retirement

**The Australian Institute of Superannuation Trustees** – the peak representative body for Australia’s \$500 billion superannuation sector - said tonight’s budget contained no surprises for superannuation and should provide stability for all Australians saving for their retirement.

**AIST CEO Tom Garcia** said that with so much uncertainty and confusion around superannuation policy since the start of the year, it was good to see that this Budget was free of any major new announcements affecting super fund members and confirmed measures announced by the Government in April.

“Confidence in our superannuation system is critical,” Mr Garcia said. “While this Budget confirms the super policy changes announced in April, these measures are relatively minor and provide some certainty for people wanting to plan for their retirement. On balance, there are more winners than losers”

Key super changes confirmed in the Budget include a higher \$35,000 concessional cap for the Over 60s from 1 July 2013 and Over 50s from 1 July 2014. It is estimated that raising concessional caps will benefit 171,000 older Australians in 2013/14. A second key super change – involving the targeting of superannuation earnings above \$100,000 in pension phase with a 15% tax from 1 July, 2014 - is expected to affect 16,000 Australians.

“Higher concessional cap limits will provide older Australians who haven’t had the benefit of compulsory super for much of their working life with the opportunity to boost their retirement savings,” Mr Garcia said.

The Budget also confirmed the establishment of a Council of Superannuation Custodians. “This Council is important to ensure that decisions made about super policy are made using a long-term lens and based on the fundamentals of sustainability and equity”.

Mr Garcia said retirees would also benefit from changes to the tax treatment of deferred lifetime annuities, which would provide retirees more with choice on income products. “This is a step in the right direction to fostering a deeper market for retirement income products.”

Mr Garcia also welcomed enhancements to the Low Income Superannuation Contribution Scheme and changes to excess contribution tax system.

#### Further enquiries:

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*AIST is the peak industry body for the \$500 billion not-for-profit super sector covering the super interests of nearly two-thirds of the Australian workforce.*