

AIST: 12% super is responsible policy – end of story

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Moving to 12% superannuation is a vital measure towards ensuring the majority of Australians achieve a comfortable standard of living in retirement, **the Australian Institute of Superannuation Trustees (AIST)** said today.

AIST CEO Tom Garcia said leaving the Superannuation Guarantee rate at 9.5% would not deliver an adequate retirement income for many working Australians, with middle income earners and women – who currently retire with about half the super of men – particularly vulnerable.

“Moving to 12% is responsible policy that will deliver retirement security for working Australians,” said Mr Garcia. “A higher SG rate not only addresses the challenges of Australians living longer in retirement, it will also help ensure that future generations of taxpayers – the young people of today – are able to support a rapidly ageing population.”

Mr Garcia said any further delays to reaching 12% by 2025 would create unnecessary uncertainty for workers and employers alike.

Mr Garcia said superannuation had widespread benefits for the economy, including funding much-needed infrastructure development and reducing long term pressure on the Federal Budget.

“Australia’s compulsory retirement savings system is the envy of other countries, who are now battling to support unfunded pensions, such as what we’ve seen occurring in Greece,” said Mr Garcia. “Lifting the super rate to 12% is about taking the right steps now for the long-term benefit of Australia.”

Further media enquiries:

AIST Media Manager Janet de Silva: 0448 000 499

AIST Media Officer Sarah Goodwin: 0401 769 296

AIST is the peak industry body for the \$650 billion not-for-profit super sector which includes industry, corporate and public sector funds.