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### **Support for super legislation brings retirement security a step closer for all Australians**

The **Australian Institute of Superannuation Trustees (AIST)** has applauded the passing of the Minerals Resource Rent Tax reform package by the House of Representatives last night, which includes the Bill to lift the Superannuation Guarantee (SG) to 12 per cent and other key super reforms.

**AIST CEO Fiona Reynolds** described the outcome as a significant step towards ensuring that everyone in the Australian community had enough money to retire on.

“We are now an important step closer to directly addressing the retirement savings gap and reducing the tax burden on future generations of working Australians who will face the challenge of having to support our rapidly ageing population,” Ms Reynolds said.

The latest available ABS figures (2010) show that the average super balance for men at age 65 is about \$198,000 and for women is \$112,000. However Ms Reynolds estimated that as many as three quarters of Australians currently retired with less than these average amounts. The average super balance across all age groups is \$71,645 for men and \$40,475 for women.

Ms Reynolds congratulated those Parliamentarians who supported the super reforms, which includes the low income Government super contribution. This reform, together with the lifting of the SG to 12%, equates an effective contribution rate of 19 per cent (or nearly 20%) for low income earners without them having to make any additional contributions.

“This is a significant reform that will ensure the system is a lot more equitable for low income earners, who currently get no or next to no concession from contributing to super,” Ms Reynolds said.

#### **Enquiries:**

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***AIST is the peak industry body for the \$450 billion not-for-profit super sector which includes industry, corporate and public sector funds covering the super interests of nearly two-thirds of the Australian workforce.***