



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

Federation Chamber

PRIVATE MEMBERS' BUSINESS

Superannuation

SPEECH

Monday, 20 October 2014

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Van Manen, Bert, MP

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Mr VAN MANEN (Forde) (12:32): I would like to thank the member for Griffith for giving me the opportunity, in bringing this motion to the House, to clarify that our plan for greater stability and certainty to superannuation is exactly what this government was trying to achieve. In short, we are keeping our election commitments. However, we do acknowledge that there have been some adjustments to the time frames in which these commitments will be met. The motion by the member for Griffith states that there will be a greater level of uncertainty with regard to superannuation as a result of these changes. But I would like to say that this will actually add certainty to superannuation, because it was the previous government, in its term in office, that created enormous uncertainty within the superannuation system. And if it was not for Labor's continual frustration at the government's clear mandate to repeal all manner of ill-conceived Labor Party policies—for example, the mining tax—then the changes the government has had to make may not have been necessary, as the mining tax package initially sought to remove some of the enormous amount of expenditure tied to it that is now being blocked.

It is worthwhile remembering that during Labor's time in office Labor announced increases in taxes on superannuation of almost \$9 billion. They also succeeded in cutting superannuation benefits for low-income earners by more than \$3.3 billion. I note with interest that there is no reference to any of these adverse effects to superannuation in the motion of the member for Griffith. It is typical of those opposite—the crocodile tears over changes to try to not only get the budget back into order but also get this economy back into shape after six years of their negligence and mismanagement—that the changes we seek to make for everybody's benefit over the longer term are blocked by those opposite, including changes that were previously Labor Party policy.

The mandatory requirement for employees to put superannuation into people's accounts has come from forgone pay rises and even the current Leader of the Opposition noted that in a speech recently. In addition, it is important to remember that this is a minimum mandatory requirement. If people want to trade off pay increases or more pay they are free to put more money into their superannuation via salary sacrifice, for example. There is nothing to stop them doing that. However, those opposite did succeed in reducing the ability of people on significant incomes to put significant amounts of money away for their retirement via larger superannuation contributions. Previously, we had contribution limits for concessional contributions of around \$50,000 if you were under 50 and \$100,000 if you were over 50. They are now down to \$30,000 and \$50,000 respectively.

All of that prevents the people who are most capable of putting significant amounts of money into superannuation from doing so to minimise the need for them to draw on the age pension in their later years. So I do not in any way support the motion put forward by the member for Griffith, because it is only through the actions of this current government that we are looking to provide some stability, some certainty in the superannuation system in order to also bring the budget back to order and to ensure that people have employment and jobs, and to get our economy back on a sound track not only for the current generations but for future generations of Australians.

Debate adjourned.