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AustralianSuper supports lifting the Superannuation Guarantee to 12%

AustralianSuper supports increasing the Superannuation Guarantee to 12% without delay as the best approach to ensuring future retirees are able to fund a dignified retirement.

The recent suggestions from the Grattan Institute aimed at undermining Australians' support of the superannuation system are erroneous and based on flawed research. The modelling assumptions used by the Grattan Institute do not represent the reality of daily life for the overwhelming majority of working or retired Australians.

AustralianSuper Chief Executive, Ian Silk, said lifting the SG from its current setting of 9.5% to 12% as soon as possible was the most important single action to improve the retirement outcome of millions of Australians.

"The Grattan Institute's suggestions are offensive to working Australians," Mr Silk said.

"Grattan is using distorted data to try and prove an ideological point. Instead of consistently seeking to undermine the system, it should be focused on the super system's key outcome, which is providing a dignified retirement for millions of Australians.

"The success of the superannuation sector was only achieved because of the vision and insight of politicians, employers and unions, who were willing to think big to solve a major problem in society. These repeated and inaccurate suggestions from Grattan are a throwback to old arguments that have been trotted out by the opponents of the superannuation sector for many years.

"Increasing the SG to 12% has bi-partisan support because it is the right thing to do."

AustralianSuper is a profit for member organisation and the Fund makes no profit as a result of an increase in the SG contribution.

The three key flaws in the research identified by Industry Super Australia are:

- Assuming everyone can top up their super with extra voluntary contributions resulting in lifetime contributions that could be up to 50% greater than the basic SG;
- Assuming a continuous uninterrupted 37 year working life and contributions, ignoring the reality of many workers, especially women;
- Assuming living standards in retirement should not keep pace with the rest of the community.

About AustralianSuper

AustralianSuper manages more than \$140 billion of members' retirement savings on behalf of more than 2.2 million members from around 280,000 businesses. One in 10 working Australians is a member of AustralianSuper, the nation's largest superannuation fund.

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