

Save Our Super's Submission to Australian Treasury on the Australian Government's First Tranche of Exposure Drafts of Proposed Superannuation Changes.

First, Save Our Super submits that **all** of the Government's proposed superannuation legislative changes, which the Treasurer announced on 3 May 2016 as part of Budget 2016, should be put simultaneously to the Australian people as a complete package of Exposure Drafts for their consideration. The package should not be split up into separate tranches, and each tranche then be treated as being independent of the other/s. They are not; they are interdependent.

The first tranche's proposed tax expenditure of \$2.61 billion depends on the proposed tax increases of \$5.7 billion intended to be raised by the remaining proposed superannuation changes. It should not be a two-step process. That is unsound public policy.

For example, as may be the case, the Government should not first try to get the tax expenditure changes through the Parliament and then seek to rely on their passage, to justify the tax increases to be raised by the Government's remaining proposed superannuation changes.

Further, sufficient time should be given for proper public consultation of the complete package of Exposure Drafts. Much more time than the nine days allowed for the first tranche should be allowed for such a fundamental and far-reaching package of superannuation changes.

Secondly, Save Our Super submits that the proposed objective of superannuation should be uncoupled from any reference to the statutory Social Security age-pension. They serve different purposes. The statutory Social Security age-pension provides a safety net. It is for those Australians who, for whatever reason, have been unable to have available for their retirement years, sufficient funds to provide an income to enable them to live in an appropriate manner.

John Roskam of the Institute of Public Affairs has suggested that:

"An objective for superannuation that was centred on dignity and choice in retirement could be expressed in the following way. 'The objective of the superannuation system is to ensure that as many Australians as possible take personal responsibility to save for their own retirement. The age pension provides a safety net for those who are unable to provide for themselves in retirement'." (see <http://ipa.org.au/news/3555/the-turnbull-government-backs-an-unprincipled-purpose-of-super>).

Save Our Super supports and adopts that approach. It submits that the Government should do likewise.