

THE SUPERANNUATION GUARANTEE RATE

s 22

Key Questions

The Grattan Institute Report *Money in retirement: more than enough* argued that the legislated increase in SG to 12 per cent should be scrapped. Do you agree?

- The rate of SG is a policy decision for Government. SG is only part of the picture – other policy factors such as savings outside superannuation, the Age Pension and home ownership all play a role in determining people's outcomes in retirement.
- Though compulsory SG contributions are paid by employers, wage setting generally takes into account all labour costs. As such, it is widely accepted that employees bear the cost of higher SG in the form of lower take home pay. This means there will be a trade-off between people's income during their working lives and their income during their retirement.
- Won't increasing SG help close the gender gap in super balances? The main drivers of women having lower balances than men are women's lower incomes and longer career breaks. While the increase in rate of SG would increase retirement balances for women, it would likely lead to an even larger increase in male retirement balances due to their higher lifetime earnings.

s 22

Stakeholder Views

Against Increasing the SG rate

- “But because most Australians will be comfortable in retirement, there is no need to boost retirement incomes across the board. The legislated plan to increase compulsory superannuation contributions from 9.5 per cent to 12 per cent should be scrapped, saving the Budget about \$2 billion a year.”
 - John Daley and Brendan Coates, Grattan Institute *Money in retirement: More than enough* Report published 6 November 2018.

s 22

For Increasing the SG rate

- “In a world of increasing longevity, and rising health and age care costs, Grattan is proposing that we save less for our retirement. It wants to postpone the move to increase the Superannuation Guarantee to 12% and instead, put the burden of retirement onto future tax payers.”
 - Dr Martin Fahy, CEO, ASFA *Grattan undermines retirement aspirations of Australians* Media Release 7 November 2018

s 22

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s 22

Pages 2-5 are outside
the scope of the request
and have not been
provided

GRATTAN REPORT - MONEY IN RETIREMENT

FOI 2534
Document 3

TOP LINES:

- The results presented by the Grattan Institute do not come as a surprise. Australians will increasingly see the benefits of compulsory superannuation as the system matures.

s 22

KEY FACTS AND FIGURES:

- The Grattan Institute released a report titled *Money in retirement: More than enough* on 6 November.
- The report finds that the conventional wisdom that Australians do not save enough for their retirement is incorrect. Overall, retirement incomes are currently adequate for retirees and will remain so.
- The report claims that most retirees today are more comfortable with their finances than younger Australians who are still working and that the average worker today can expect inflation-adjusted income of at least 90 per cent of their pre-retirement income – well above the 70 per cent benchmark endorsed by the OECD.
- The report recommendations include maintaining SG contributions at 9.5 per cent, relaxing the Age Pension asset test taper and increasing the maximum rate of Commonwealth Rent Assistance.
- The superannuation industry criticised the Grattan Report. This includes the Industry Super Australia describing as 'deeply flawed' Grattan Institute claims that the SG at its current rate will deliver adequate incomes for future retirees.

KEY QUOTE:

“The vast majority of retirees today and in future are likely to be financially comfortable” (Grattan Institute, *Money in retirement: More than enough*, 2018, p.3)

BACKGROUND:

The report concludes that the retirement system is serving us well but can be improved even further by:

- maintaining Superannuation Guarantee (SG) contributions at 9.5 per cent. Increasing the SG to 12 per cent will reduce wages today and do little to boost retirement incomes of many low-income workers tomorrow;

Page 1 of 2

QTB Number	QB18-000346	Adviser	s 22
Contact Officer	s 22	Contact Number	s 22
Division responsible	Retirement Income Policy Division		
Office Responsible	Assistant Treasurer	Date of Update	07 February 2019

- increasing the maximum rate of Commonwealth Rent Assistance by 40 per cent and benchmarking it to rents paid by the poorest 40 per cent of renters, rather than to inflation;
- relaxing the Age Pension asset test taper rate to \$2.25 per fortnight for every \$1,000 in assets to boost retirement incomes of low and middle income earners;
- reforming superannuation tax breaks further to improve budget sustainability; and
- asking the Productivity Commission to investigate the economic, social and budgetary costs and benefits of gradually increasing the Age Pension age (and the preservation age) to 70 years and review the adequacy of Australians' retirement incomes.

Recommendations made in previous Grattan reports have also been restated including that age-based tax breaks should be reformed and the value of the home should be included in means tests for the Age Pension and aged care.

QTB Number	QB18-000346	Adviser	s 22
Contact Officer	s 22	Contact Number	s 22
Division responsible	Retirement Income Policy Division		
Office Responsible	Assistant Treasurer	Date of Update	07 February 2019

From: s 22
To: [FG Retirement Income Policy Division](#)
Cc: s 22
Subject: Women In Super AGM summary [SEC=UNCLASSIFIED]
Date: Tuesday, 27 November 2018 4:29:31 PM

Hi all,

Yesterday s 22 and I attended the Women in Super AGM, which was followed by a Panel Session.

Key takeouts:

s 22

[Redacted]

There was a panel discussion around supporting SG at 12% and some criticism of assumptions of the Grattan report by the panellists.

s 22

[Redacted]

Panel Session Speakers:

Phil Gallagher – ISA (ex-Treasury retirement incomes modeller)

Nathan Bonarius - Rice Warner

Eva Scheeling - AIST

Topic: Increasing SG rate to 12%, Grattan Report

s 22

[Redacted]

Phil Gallagher

Anti-Grattan report – the Grattan analysis had several of the following flawed assumptions:

- Grattan hides low contributions and savings cohorts by grouping them together with higher contribution cohorts
- Employees are lumped in with self-employed individuals
- No couples or gender splits are in the analysis
- A couple's aged pension rate is assumed to be 75% of two singles combined
- No work breaks assumed
- Home ownership is assumed

Noted that Treasury's full population models never looked like Grattan's modelling.

Phil did his own modelling with cameos (including for ALP), assuming a woman aged 30 in 2015, out of work while aged 30-34, back at work at age 35 as a part timer. Her husband, same age, earns the same salary, without broken work patterns. The couple's payout rises from \$192,000 (at 9.5% SG) to \$222,000 under 12% SG.

Nathan Bonarius

Rice Warner's view of Grattan report is that Grattan's choice of discount rate is inappropriate. It uses CPI, which amounts to saying that retirees shouldn't participate in improvements in living standards above inflation.

Since the age pension is indexed differently, to AWE, it effectively means that the Age Pension will provide all the heavy lifting in retirement, not a person's super savings. However, when the SG rate is 12%, then super does its job of reducing the burden of aging population.

s 22

-----Original Message-----

From: s 22

Sent: Wednesday, 7 November 2018 9:22 AM

To: s 22

Cc: Jeremenko, Robert; Dowdell, Michelle; Kennedy, Darren

Subject: FW: Political Alert - Grattan wrong on super guarantee, right on age pension (FED)
[SEC=UNCLASSIFIED]

ISA on Grattan. There criticisms look pretty specious based on my understanding of Grattan's numbers.

Also, for those that missed it, but ACOSS and BCA quietly in favour of Grattan's proposals:

<https://links.streem.com.au/the-age-20181106-444034>

-----Original Message-----

From: CCH Parliament [<mailto:politicalalert@cch.com.au>]

Sent: Wednesday, 7 November 2018 8:03 AM

To: politicalalert@cch.com.au

Subject: Political Alert - Grattan wrong on super guarantee, right on age pension (FED)

Please find attached:

GRATTAN WRONG ON SUPER GUARANTEE, RIGHT ON AGE PENSION (FED)

Industry Super Australia has described as 'deeply flawed' Grattan Institute claims that the Superannuation Guarantee (SG) at its current rate will deliver adequate incomes for future retirees. Responding to a report released today, Industry Super Special Retirement Income Adviser, Phil Gallagher PSM, said Grattan's dubious modelling assumptions were unrealistic and unrepresentative of most Australian employees. The three key flaws in the modelling 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; and assuming living standards in retirement shouldn't keep pace with the rest of the community.

311V1701

Total number of pages 1

SUPPORT: politicalaler

t@cch.com.au or 02 6273 2070. MAILBOX: <http://www.cchparliament.com.au>

From: [Dowdell, Michelle](#)
To: "Brendan Coates"; s 22 ; Jeremenko, Robert; s 22 ; s 22 ; s 22
Cc: [John Daley](#); [Jonathan Nolan](#); [Owain Emslie](#)
Subject: RE: Draft for comment - Grattan report on retirement income adequacy [SEC=UNCLASSIFIED]
Date: Tuesday, 16 October 2018 4:30:36 PM
Attachments: [181002 Grattan draft report on retirement income adequacy - RIPD comments.docx](#)

Hi Brendan

Thanks for the opportunity to review the Grattan report on retirement adequacy – as always some very interesting analysis which I'm sure will generate significant discussion across the super industry!

I've attached our comments but we would be happy to discuss if that help. We have coordinated across Treasury to cover all comments from Retirement Income, Tax Analysis and the Housing team in Social Policy Division (ignore the file name!).

Look forward to seeing you and John for the briefing next Tuesday.

Thanks

Michelle

Michelle Dowdell

Head of Melbourne Office

Principal Adviser, Retirement Income Policy Division

phone: +61 2 6263 3071

mobile: +s 22

From: Brendan Coates [mailto:Brendan.Coates@grattaninstitute.edu.au]
Sent: Tuesday, 2 October 2018 8:21 AM
To: s 22 ; s 22 ; Jeremenko, Robert; Dowdell, Michelle
Cc: John Daley; Jonathan Nolan; Owain Emslie
Subject: Re: Draft for comment - Grattan report on retirement income adequacy
Apologies all.
Request for comment is by Monday 15 October, not November.
Kind regards
Brendan

Sent from my iPhone

On 1 Oct 2018, at 8:31 pm, Brendan Coates <Brendan.Coates@grattaninstitute.edu.au> wrote:

Dear s 22 , s 22 , Michelle and Robert
Attached is a draft of our upcoming Grattan Institute report on retirement income adequacy, which we are planning to publish on 7 November.
The report reviews Australian's retirement incomes policy. It investigates the different ways of measuring whether retirement incomes are 'adequate'. It compares the reality for retirees today, and the likely outcomes for retirees of tomorrow, with these standards. It then assesses current and proposed retirement incomes policy given the competing considerations: lower incomes when people are working; and the budgetary cost of government support for retirement incomes. It concludes by outlining the policy changes that would improve Australia's retirement incomes policy.
Also attached is a Technical Supplement that provides more details on the Grattan Retirement Income Model that underpins much of the analysis in the report.
We would be very grateful for any comments that you have on the draft. We appreciate it is a long document. If you can get thoughts through to us by Monday 15 November that would be much appreciated.
If you have any queries, please call me on s 47F , or John Daley on s 47F .
Many thanks for your support, which is enormously appreciated.

Best wishes

Brendan

Brendan Coates | Fellow

GRATTAN Institute | 8 Malvina Place Carlton VIC 3053

Telephone: 03 **S 47F**

brendan.coates@grattan.edu.au | www.grattan.edu.au

[@brendancoates](#)

Grattan draft report on retirement income adequacy – Treasury comments

General comments

It would be beneficial if the report considered the **potential role for products other than ABPs** (e.g. CIPRs) when considering expected retirement incomes and adequacy concerns. For example, purchasing a CIPR rather than an ABP is an option that could also assist average households to reach the ASFA comfortable benchmark (page 28), not just accumulating a larger balance. Similarly, the lower replacement rate results in Table 3 for incomes in the 1st year or 1st 5 years of retirement would rise in a CIPRs style product. This includes the proposed age pension means test treatment of income-stream products, announced in the 2017-18 Budget, which support the take-up of these products.

Specific comments

Section 2.2, p14. The objective of superannuation does not imply that superannuation doesn't aim to provide assets beyond the Age Pension cut-off. It is both a supplement and a substitute.

Section 2.3.5 – The first two sentences could be rephrased to say that retirement income policy should not subsidise bequests. It is also unclear whether the conclusion in this section (that the entire value of owner-occupied housing is preserved as a bequest) is used as an assumption in later replacement rates analysis.

There is also some inconsistency between the first two sentences and later statement claim that replacement rates should assume a modest bequest.

Section 3.5 – Suggest including some discussion on public consumption as it can be misleading to assume that living standards are synonymous with private consumption. People also consume public/subsidised services such as health and aged care. (Can refer to PC 2015a).

“Retirees seem to be happy with lower levels of spending in retirement” While the following text explains this, it lends itself to being quoted out of context. It is a relative point (happier even though they have lower income)

Section 7.8 – While it is beneficial to demonstrate the benefits reduced fees can make to adequacy, it is not clear that a 0.5 per cent *across the board* improvement in net returns is feasible. Most reviews of fund performance including the PC show a tail of underperformance, not a system-wide underperformance. PC concluded that default segment outperformed the benchmarks on average. Thus, the gains would be most likely to accrue to those in substandard funds – 20 to 30 per cent of members, rather than provide a general improvement in balances.

Section 8 - “Australia spends just 3.5 per cent of GDP on pension benefits, compared to the OECD average of 7.9 per cent”: This appears to have been updated – Australia is now showing as 4.3 per cent compared OECD average of 7.6 (Table 7.3 p143 Pensions at a Glance 2017). Table 7.3 also shows Australia's total spend, including non-cash is 5.2 per cent of GDP compared to OECD average of 8.6 per cent.

Given the differences between the Australian system and the social security contribution models of many OECD countries, it is difficult to draw direct comparisons between levels of overall spending. We suggest adding some clarification on this point.

Section 8.1 – Suggest that this section could make it clear that the ‘wealth tax’ only applies to the assets that part-rate pensioners hold in excess of the relevant asset test free area.

Section 8.2 – Suggest that this section could explain why a ‘wealth tax’ of 5.85 per cent is more appropriate than 7.8 per cent. For example, is this rate lower than the average annual returns of particular asset classes?

Furthermore, this policy change will boost the retirement incomes of low- and middle-income earners. The desire for this change therefore appears to be partially inconsistent with other parts of the report that suggest the system is already overprovisioning for many people in retirement, particularly low-income earners who ‘will get a rise in pay when they retire’. Is there a particular reason why these groups require or would benefit from additional retirement income?

We suggest clarifying whether the proposal would retain the new higher “asset-free” thresholds.

Section 9.1 – “Rent Assistance is a non-taxable income supplement, payable fortnightly to low-income renters in the private rental market”. We suggest rewording this statement to reflect that RA is a supplement payable to *income support recipients* in the private rental market. As currently written, it implies that low-income earners who do not receive income support may be eligible.

Section 10.2 – “Seniors do not pay tax until they earn \$32,279 a year ...” This should be specified as an single senior (not a member of a couple).

Appendix A: This section states that superannuation is the *least* important pillar for retirement income and it is implied this will remain true in the future but the rest of the Appendix does not support this categorically. For example, the data in figure 43 indicates that super is broadly comparable to the Age Pension (except for 45-54 year olds) in importance using mean wealth per household. This is likely to vary by household wealth decile. The Appendix also makes it clear that the system is not mature and that superannuation savings will increase in the future - projections of future superannuation savings as the system matures and the SG increases to 12 per cent is likely to increase its importance over time, even if it doesn’t overtake housing or other assets.

OTHER

Modelling assumptions – It may be beneficial to further explain the assumption of 30 year old as starting point, in that it is a proxy for wages following education and career breaks. The argument that it is reasonable to assume entry into superannuation at age 30 is strengthened if it is adequate for someone starting at age 30, as it must therefore be adequate for someone starting at an even younger age.

It is noted in the **GRIM Technical supplement (page 7)**, that the model assumes the 2015-16 legislated rates and thresholds, and the thresholds ‘increase in line with wage growth’ – it may be beneficial to include the specific thresholds for clarity.

From: s 22
To: [redacted]
Cc: [redacted]
Subject: RE: For comment - Grattan draft report on retirement income adequacy [SEC=UNCLASSIFIED]
Date: Monday, 15 October 2018 2:55:49 PM

Thanks for your quick turnaround! We'll add this to our consolidated Tsy comments.

Cheers,

s 22

From: s 22
Sent: Monday, 15 October 2018 2:53 PM
To: s 22
Cc: [redacted]
Subject: RE: For comment - Grattan draft report on retirement income adequacy [SEC=UNCLASSIFIED]

Hi s 22

Thank you for sharing with us. s 22 went through the document and we didn't have many comments:

- page 89: 'Seniors do not pay tax until they earn \$32,279 a year ...' This should be specified as an single senior (not a member of a couple).
- It is noted in the GRIM Technical supplement (page 7), that the model assumes the 2015-16 legislated rates and thresholds, and the thresholds 'increase in line with wage growth'. However the documents do not specify what the thresholds are.

Kind regards

s 22

[redacted]
Manager | Individuals Tax Unit
Individuals and Indirect Tax Division
The Treasury

☎ s 22 | ✉ s 22 @treasury.gov.au

From: s 22
Sent: Monday, 15 October 2018 12:38 PM
To: s 22
Cc: s 22
Subject: For comment - Grattan draft report on retirement income adequacy [SEC=UNCLASSIFIED]

Hi s 22,

As discussed, the attached draft Grattan report mentions SAPTO. If you have any comments you can either send them to me by COB today and I'll add them to our RIPD consolidated comments or send directly to Brendan Coates (details below).

Brendan Coates | Fellow
GRATTAN Institute | 8 Malvina Place Carlton VIC 3053
Telephone: s 47F
brendan.coates@grattan.edu.au | www.grattan.edu.au
[@brendancoates](https://twitter.com/brendancoates)

Apologies for the short notice on this one!

s 22

s 22

Manager
Retirement Income Policy Division
The Treasury
Level 6, 120 Collins St. Melbourne 3000
phone: s 22

email s 22 [REDACTED] [@treasury.gov.au](mailto:[REDACTED]@treasury.gov.au)

From: s 22
To: s 22
Cc: [RG TAD Retirement Income Modelling Unit](#); [RG TAD SES](#); [FG RIPD Retirement Benefits Unit](#)
Subject: RE: For review - RIMU - Grattan talking points [SEC=UNCLASSIFIED]
Date: Tuesday, 6 November 2018 12:38:59 PM
Attachments: [181106 MS Grattan Money in retirement \(TAD edits\).docx](#)

Hi s 22
Please find edits and comments attached.
Happy to chat,
s 22
s 22

From: s 22
Sent: Monday, 5 November 2018 9:55 PM
To: s 22
Cc: s 22; [RG TAD Retirement Income Modelling Unit](#); s 22
Subject: Re: For review - RIMU - Grattan talking points [SEC=UNCLASSIFIED]
Thanks s 22

With Michelle D's comments that looks pretty good.
I think we should talk to SPD about the CRA rec in the morning, though it is a DSS thing.
s 22, I will be tied up with GEM/Indonesia presentation so can you please finalise by 12.
Sent from my iPad

On 5 Nov 2018, at 4:51 pm, s 22 <s 22@TREASURY.GOV.AU> wrote:

Hi s 22 /RIMU

As discussed earlier today, attached are some proposed talking points on the Grattan Report on retirement incomes ahead of its release tomorrow night. As I'm out of the office tomorrow, we'd appreciate it if you could please feed any proposed comments/edits back to s 22 and s 22 **tomorrow morning** so we can send this up to Ministers' Offices.

s 22 – if you'd like to edit or add anything when you're back tomorrow maybe discuss directly with s 22? This is intended to sit on top of s 22 summary.

Thanks in advance

s 22

Analyst

Accumulation and Savings Unit | Retirement Income Policy Division
The Treasury, Level 6, 120 Collins Street, Melbourne, VIC 3000
phone: s 22
email: s 22 <s 22@treasury.gov.au>

<181106 - Grattan Report - talking points.docx>

From: s 22
To: [FG Retirement Income Policy Division](#); s 22
Subject: FW: Grattan report: Money in retirement - talking points and background - MS18-003777 [SEC=UNCLASSIFIED]
Date: Tuesday, 6 November 2018 1:58:20 PM
Attachments: [Grattan report embargo copy - Money in retirement.pdf](#)
[181106 MS Grattan Money in retirement.pdf](#)

FYI and thanks to SPD and RIMU!

s 22
Manager, Accumulation & Savings Unit
Phone: s 22 | Mobile: s 22

From: s 22
Sent: Tuesday, 6 November 2018 1:57 PM
To: s 22 AT Ministerial Submission Distribution
Cc: TSR Ministerial Submission Distribution; FG RIPD DEM; s 22
Subject: Grattan report: Money in retirement - talking points and background - MS18-003777 [SEC=UNCLASSIFIED]
Hi s 22

Please find attached briefing and talking points on Grattan's report *Money in retirement – more than enough* as requested. I have also attached the embargo copy of the report sent but note that Grattan have indicated they are still making wording changes to the report. Please don't hesitate to call if you have any questions or need anything further.

Cheers,

s 22
s 22
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6 November 2018

PDR No. MS18-003777

Assistant Treasurer

cc: Treasurer

GRATTAN INSTITUTE REPORT - MONEY IN RETIREMENT**Timing:** The report will be released at 9pm on 6 November 2018.**KEY POINTS**

- The Grattan Institute has released a report titled *Money in retirement: More than enough*.
- The report examines whether the majority of Australians are right to be worried about their retirement and makes policy recommendations aimed at improving Australia's retirement income policy.
- Some background notes and a brief summary of the report's findings and recommendations are included at [Additional Information](#).

TALKING POINTS

- The Government welcomes the release of the Grattan Institute's latest contribution to the public debate on retirement income policy.

Adequacy

- The results presented by Grattan do not come as a surprise. Australians will increasingly see the benefits of a maturing superannuation system as more and more people retire having had the benefits of compulsory superannuation over most or all of their working lives.
- Grattan's findings are broadly consistent with internal Treasury analysis.
 - This includes the projection that median wage and salary earners entering the workforce today will have high replacement rates (retirement incomes compared to measures of working life income), including over 90 per cent for median wage and salary earners (based on inflation adjusted incomes).
- Superannuation is only one pillar of the retirement income, along with the Age Pension and voluntary savings. Grattan's approach of factoring in all three is a sound one and paints a more complete picture of the resources that older Australians will be able to draw on in retirement.

Specific recommendations:*The Superannuation Guarantee should remain at 9.5 per cent*

- The SG rate will increase to 12 per cent by 2025. The Government has no plans to change this at this time. It is important that people have certainty around how much their compulsory superannuation contributions will be into the future so they can plan accordingly.

The Productivity Commission should be asked to investigate the benefits of increasing the Age Pension age (and preservation age) to 70 years

- The Prime Minister has announced that the Age Pension age will not go to 70 years at this time.
 - There are inevitably trade-offs between maintaining support for pensioners through the Age Pension and broader fiscal sustainability, but the Government considers the current plan to gradually increase to 67 years gets the balance right.
- The Productivity Commission (PC) researched increasing the preservation age in 2015. The PC modelling found that the largest spike in retirement occurs at Age Pension age, and that increasing the preservation would only provide modest fiscal and workforce participation benefits.
- Increasing the preservation age reduces flexibility for individuals to make work-leisure trade-offs.
 - It also raises equity and distributional concerns for those who are forced to retire earlier, due to ill-health, caring responsibilities or difficulties finding employment.

The pension assets test taper should be lowered from \$3 to \$2.25

- The Government stands by the decision to increase the assets test taper to \$3 from 1 January 2017.
 - This change was part of a broader package which included increasing the asset free areas so that pensioners with fewer assets could keep more of their Age Pension. Pensioners with more substantial means were asked to draw on slightly more of their assets to maintain their current income levels in retirement (as little as 1.8 per cent), so that the Government can continue to support those who need it most.
 - DSS analysis at the time indicated that 90 per cent of pensioners were either better off or no worse off as a result of the changes.

Commonwealth Rent Assistance should be increased by 40 per cent, with rents benchmarked to rents paid by the poorest 40 per cent of renters (rather than inflation)

- Rent Assistance is intended to reduce the incidence of severe financial hardship and stress among income support recipients who are renting privately. Since not all pensioners experience rental stress, these recommendations may not be an efficient way to minimise hardship among this cohort.

s 22

s 22

Manager

Retirement Income Policy Division

Phone: **s 22**

Contact Officer: **s 22**

Phone: **s 22**

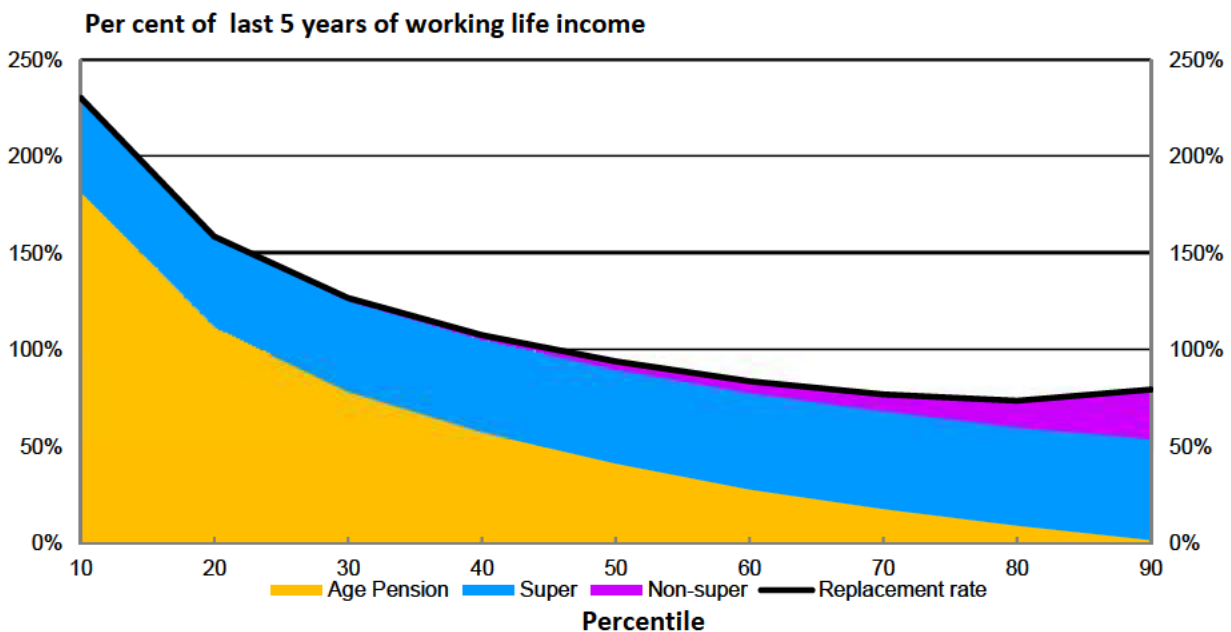
Consultation: Tax Analysis Division, Social Policy Division

ADDITIONAL INFORMATION

Background

- The report’s findings and recommendations are broadly consistent with those in a series of research briefs released by the Centre of Excellence in Population Ageing Research (CEPAR) on 1 November 2018.
- The report’s findings are also broadly consistent with Treasury analysis that finds a replacement rate above 90 per cent for the median salary and wage earner where incomes are deflated by CPI and based on average retirement life income as a percentage of the average of the last five years of working life salary and wage income.
 - Chart 1 shows the replacement rates of hypothetical individuals across different income percentiles, assuming a thirty-seven-year working life from age 30, with no career breaks. It is based on the assumption that individuals earn the average wage for a particular income percentile for their age group across their working life.
 - Retirement income is made up of the combination of the Age Pension, full use of superannuation assets and the income from non-superannuation assets.¹
 - Note that the choice of deflator will make a significant difference to calculated replacement rates. If incomes are deflated by wages the replacement rates will be lower.

Chart 1: Treasury replacement rates for hypothetical individuals, across income levels



¹ Given this analysis is hypothetical in nature, it won't reflect all circumstances e.g. individuals with extended career breaks, different retirement ages, non-employees, those who leave bequests, people who make minimum drawdowns, and people who make additional voluntary super contributions, etc.

Summary of the Grattan report: Money in retirement – More than enough

Findings

- The conventional wisdom that Australians do not save enough for their retirement is incorrect.
- Overall, retirement incomes are currently adequate for retirees and will remain so.
 - Most retirees today are more comfortable with their finances than younger Australians who are still working. Retirees spend less and many are net savers, often leaving their nest egg as large as their savings on the day they retired.
 - Retirees of tomorrow can expect to be even better off. The average worker today can expect inflation-adjusted retirement income of at least 90 per cent of their pre-retirement income – well above the 70 per cent benchmark endorsed by the OECD.
- Many low income earners will receive more income from the Age Pension and compulsory superannuation savings than they earned before retirement.
- However, retirees who rent privately are more likely to be financially stressed than homeowners or those in public housing. This is expected to worsen as younger generations on lower incomes are less likely to own their home.
- Changes to the Age Pension taper rate would have the biggest impact on retirement incomes per dollar, whereas boosting the SG is poor value for money. It also notes that reducing the costs of superannuation would do more for retirement incomes than boosting the SG. The biggest positive impact on retirement incomes, and with a positive budgetary impact, would have an increase in the age access.

Recommendations

The report concludes that the retirement system is serving us well but can be improved further by:

- maintaining Superannuation Guarantee (SG) contributions at 9.5 per cent. Increasing the SG to 12 per cent will reduce wages today and do little to boost retirement incomes of many low-income workers tomorrow;
- increasing the maximum rate of Commonwealth Rent Assistance by 40 per cent and benchmarking it to rents paid by the poorest 40 per cent of renters, rather than to inflation;
- relaxing the Age Pension asset test taper rate to \$2.25 per fortnight for every \$1,000 in assets to boost retirement incomes of low and middle income earners;
- reforming superannuation tax breaks further to improve budget sustainability; and
- asking the Productivity Commission to investigate the economic, social and budgetary costs and benefits of gradually increasing the Age Pension age (and the preservation age) to 70 years and review the adequacy of Australians' retirement incomes.

Recommendations made in previous Grattan reports have also been restated including that age-based tax breaks should be reformed and the value of the home should be included in means tests for the Age Pension and aged care.

From: s 22
To: s 22
Cc: s 22 [RG TAD Retirement Income Modelling Unit](#); s 22
Subject: RE: Draft for comment - Grattan report on retirement income adequacy [SEC=UNCLASSIFIED]
Date: Monday, 15 October 2018 2:42:38 PM

Hi s 22 ,

We've made a couple of comments in the link below.

The results from GRIM broadly tell a similar story to what we see using EMORI.

Happy to chat.

s 22

From: s 22
Sent: Wednesday, 10 October 2018 1:53 PM
To: s 22
Cc: s 22
Subject: FW: Draft for comment - Grattan report on retirement income adequacy [SEC=UNCLASSIFIED]

Hi s 22 ,

As discussed, here's the link (in s 22 email below) that we are putting our comments into. We're happy for TAD to make a separate section for the technical supplement or put your comments in whichever way makes the most sense. s 22 and I haven't had a chance to have a good read yet so we will flesh this out further over the next couple of days.

Cheers,

s 22

From: s 22
Sent: Tuesday, 2 October 2018 9:47 AM
To: FG RIPD DEM
Subject: FW: Draft for comment - Grattan report on retirement income adequacy [SEC=UNCLASSIFIED]

Hi all,

Brendan Coates from Grattan has asked for comments on the **attached draft report on RI adequacy by 15 October**.

Given this cuts across the division, I think it's more efficient if we send back consolidated RIPD comments.

I've set up a document [here](#) for your contributions.

Thanks,

s 22

From: Brendan Coates [mailto:Brendan.Coates@grattaninstitute.edu.au]
Sent: Tuesday, 2 October 2018 8:22 AM
To: s 22
Subject: Re: Draft for comment - Grattan report on retirement income adequacy

Apologies.

Request for comment is by Monday 15 October, not November.

Kind regards

Brendan

Sent from my iPhone

On 1 Oct 2018, at 8:37 pm, Brendan Coates <Brendan.Coates@grattaninstitute.edu.au> wrote:

s 22

Sorry I left you off the first version.

Kind regards

Brendan

Brendan Coates | Fellow
GRATTAN Institute | 8 Malvina Place Carlton VIC 3053
Telephone s 47F | | Mobile: s 47F
brendan.coates@grattan.edu.au | www.grattan.edu.au
[@brendancoates](https://twitter.com/brendancoates)

From: Brendan Coates <Brendan.Coates@grattaninstitute.edu.au>
Date: Monday, 1 October 2018 at 8:30 pm
To: "s 22" <s22@treasury.gov.au>, "David.Crawford@TREASURY.GOV.AU" <David.Crawford@TREASURY.GOV.AU>, "Robert.Jeremenko@treasury.gov.au" <Robert.Jeremenko@treasury.gov.au>, "Michelle.Dowdell@TREASURY.GOV.AU" <Michelle.Dowdell@TREASURY.GOV.AU>
Cc: John Daley <john.daley@grattaninstitute.edu.au>, Jonathan Nolan <jonathan.nolan@grattaninstitute.edu.au>, Owain Emslie <owain.emslie@gmail.com>
Subject: Draft for comment - Grattan report on retirement income adequacy

Dear s 22 Michelle and Robert

Attached is a draft of our upcoming Grattan Institute report on retirement income adequacy, which we are planning to publish on 7 November.

The report reviews Australian's retirement incomes policy. It investigates the different ways of

measuring whether retirement incomes are 'adequate'. It compares the reality for retirees today, and the likely outcomes for retirees of tomorrow, with these standards. It then assesses current and proposed retirement incomes policy given the competing considerations: lower incomes when people are working; and the budgetary cost of government support for retirement incomes. It concludes by outlining the policy changes that would improve Australia's retirement incomes policy.

Also attached is a Technical Supplement that provides more details on the Grattan Retirement Income Model that underpins much of the analysis in the report.

We would be very grateful for any comments that you have on the draft. We appreciate it is a long document. If you can get thoughts through to us by Monday 15 November that would be much appreciated.

If you have any queries, please call me on 0412 798 229, or John Daley on 0407 004 231.

Many thanks for your support, which is enormously appreciated.

Best wishes

Brendan

Brendan Coates | Fellow
GRATTAN Institute | 8 Malvina Place Carlton VIC 3053
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[@brendancoates](https://twitter.com/brendancoates)

<GRIM TECHNICAL SUPPLEMENT - REVIEWER VERSION - 1
OCTOBER 2018.pdf>

<Retirement adequacy report - REVIEWER VERSION - 1 OCTOBER
2018.pdf>

From: s 22
To: [RG TAD Retirement Income Modelling Unit](#)
Subject: FW: TAD request - expenditure in retirement [SEC=UNCLASSIFIED]
Date: Friday, 5 October 2018 4:39:43 PM
Attachments: [Does retiree spending rise through retirement - 3 August 2018.pptx](#)

Hi all

Here's where I got up to with this request.

I wasn't able to completely replicate Grattan's figures of the chart using the 0304, 0910 and 1516 Basic CURF HES files. The figures are around 1.5% lower than Grattan's in 0304 and 0910 and 4% lower in 1516.

DataLab has detailed microdata for the latter two HES files with continuous age ranges but the 0304 file is not available.

The work is saved here:

[N:\Projects\Retirement Incomes\Adequacy\20180831 HES household expenditure chart](#) (Note: there has been changes to the folder structure of the ABS data so the SAS [links to the HES](#) may need to be updated).

s 22

From: s 22
Sent: Thursday, 30 August 2018 5:01 PM
To: RG TAD Retirement Income Modelling Unit
Cc: s 22 s 22
Subject: TAD request - expenditure in retirement [SEC=UNCLASSIFIED]

Hi RIMU,

RIPD s 22 and RIMU s 22 met with Brendan Coates from Grattan last week to talk about some research they've been doing on expenditure in retirement. Grattan found that using ABS Survey of Income and Housing (SIH) data shows expenditure declining as retirees get older.

This runs counter to the AIST/super industry claim that expenditure needs rise in retirement. This claim is based off HILDA data, which excludes large categories of spending (mostly discretionary) - it leaves out about half of the spending captured in SIH.

While SIH is cross-sectional, Grattan uses it in a quasi-longitudinal way to compare similar-aged cohorts from one wave to the next (eg. 65 year olds in 2011 and 70 year olds in 2016). This effectively counters the argument that can be levelled against cross-sectional data that older generations have less income (as they have not benefitted from compulsory superannuation during their working lives)

This forms part of the adequacy story as it is a pretty robust rebuttal to criticism of CPI deflation on the grounds of costs rising faster than CPI in retirement.

TAD request:

We want to extend Grattan's cohort analysis (slide 17 of slide pack) with a couple of modifications:

1. Change the age bins to 6 years to line up with the survey waves – Grattan could only get a small sample file so couldn't do this themselves. We would be open to other ways of measuring this comprehensively, such as adding an older age group to extend the age range further, and Brendan mentioned rolling age bins to smooth results.
2. Include income in a similar way to the dots on slide 16 – this would help us to understand what is driving the change in spending patterns for similar age groups across the cohorts (ie. compare 70-74/75 year olds spending across the cohorts – decreases as birth year increases).

Note that Brendan advised that Grattan adjusts the ABS measure of income (which includes super drawdowns, but earnings of all other assets) to use earnings for all assets including super. For super they calculate income as earnings x value of asset. Brendan noted that they do this as drawdowns are essentially just expenditure. Removing drawdown gives a more consistent measure of means. This seems like a more relevant approach as it allows us to measure dissaving. The interesting thing about this is that on slide 16 no one is dissaving (except maybe the youngest cohort in the second quintile) – this means that **no one is drawing down on their assets (ie. spending) at a rate fast than their assets are growing at.**

I am away next week but happy to chat more tomorrow (or you can talk to s 22 next week!)

Cheers,

s 22

	2003/04	2009/10	2015/16
60-64	39260	39832	36660
65-69	32916	32240	30160
70-74	28340	28340	25428
75-79			
80+			
	2,600		
	2,756		
	2,912		

	Weekly	Annual
Total expenditure Housing	647.91	34090
ASFA modest couple	65.56	3449.461
ASFA comfortable couple	91.77	4833.476
Excluding housing	582.35	30640.5381
Total expenditure Housing Excluding housing	1118.58	54081.52403

couples 60-79 excl housing

R script: Super - Retirement Income adequacy.R
 Data frame: HESWAHE.cpl.exp100.dif

quantiles	expenditure
1	0.1 24612.2026
2	0.2 29611.91323
3	0.3 34654.89827
4	0.4 39739.70706
5	0.5 45329.12296
6	0.6 55053.23146
7	0.7 63484.75998
8	0.8 77958.60808
9	0.9 101889.1983

R script: Super - Retirement Income adequacy.R
 Data frame: HESWAHE.cpl.exp100.dif

quantiles	expenditure	expenditure (equivalised to 2 person HH)
1	0.1 16286.83259	24430.24889
2	0.2 21963.6616	32945.4924
3	0.3 28024.01877	42036.02815
4	0.4 31886.39636	47829.59454
5	0.5 37234.39724	55851.59585
6	0.6 43674.11583	65511.17374
7	0.7 50905.33376	76358.00064
8	0.8 61453.96696	92180.95044
9	0.9 78834.77961	118252.1694

From: s 22
To: [RG TAD Retirement Income Modelling Unit](#)
Subject: FW: Talking Points on Grattan report [SEC=UNCLASSIFIED]
Date: Wednesday, 7 November 2018 9:52:18 AM
Attachments: [\[D18 1158571\] Response to Grattan Institute Report on Retirement Incomes.DOCX](#)

From: s 22
Sent: Wednesday, 7 November 2018 9:46 AM
To: FG RIPD DEM; FG RIPD Retirement Benefits Unit; FG RIPD Accumulation and Savings Unit; s 22
Subject: FW: Talking Points on Grattan report [SEC=UNCLASSIFIED]

FYI – DSS’s talking points on the Grattan Report. From my quick read looks pretty consistent with ours, though more detail on the CRA and taper recs in particular.

s 22

From: s 22
Sent: Wednesday, 7 November 2018 9:34 AM
To: s 22
Cc: s 22
Subject: Talking Points on Grattan report [SEC=UNCLASSIFIED]

Hi s 22

As discussed last week, please see attached the talking points we provided to our office on the Grattan Report released yesterday.

In particular, there are points regarding the assets test taper rate and an increase to CRA that might be of interest.

Cheers,

s 22

s 22
A/g Assistant Director
Means Test Policy
Payment Structures Branch
Department of Social Services
P: s 22 **E:** s 22 [@dss.gov.au](mailto:s 22@dss.gov.au)

My pronouns: he, him, his

DSS acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to elders both past and present.

From: s 22
To: [RG TAD Retirement Income Modelling Unit](#); [RG TAD SES](#)
Subject: FW: Grattan report on retirement income adequacy - Media embargo copy (until 9pm Tuesday 6 November) [SEC=UNCLASSIFIED]
Date: Tuesday, 6 November 2018 9:18:24 AM
Attachments: [Embargo copy - Money in Retirement - More than Enough - 5pm 5 November.pdf](#)
[Chart Data - Money in Retirement - More than Enough - 5pm 5 November.xlsx](#)

FYI – Embargoed report of Grattan’s retirement paper attached. Some slight text edits are expected so we can download the final once live.

s 22

Manager | Retirement Income Modelling Unit

Tax Analysis Division | The Treasury

Phone: s 22

Email: s 22

From: Brendan Coates [<mailto:Brendan.Coates@grattaninstitute.edu.au>]
Sent: Monday, 5 November 2018 5:45 PM
To: s 22; Dowdell, Michelle; Dal Bon, Nathan; Kennedy, Darren; s 22
Subject: Grattan report on retirement income adequacy - Media embargo copy (until 9pm Tuesday 6 November)

Hi all

Grattan Institute will be publishing its report, Money in Retirement: More than Enough (embargoed until 9pm, Tuesday 6 November 2018) on Wednesday 7 November. A copy of the report is attached.

We have circulated this to journalists. A copy has also gone to relevant Ministers’ offices.

Also attached is the chart data should you need to replicate anything for Ministerial briefing.

Please note we are making a couple of minor changes to the text (but not numbers). So best to pull down a copy of the web once live.

Kind regards

Brendan

Brendan Coates | Fellow
GRATTAN Institute | 8 Malvina Place Carlton VIC 3053
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brendan.coates@grattan.edu.au | www.grattan.edu.au
[@brendancoates](https://twitter.com/brendancoates)

From: s 22
To: s 22
Subject: RE: TAD comments for Grattan Adequacy paper [SEC=UNCLASSIFIED]
Date: Monday, 15 October 2018 2:02:09 PM

Thanks s 22, no problem!

From: s 22
Sent: Monday, 15 October 2018 2:02 PM
To: s 22
Subject: RE: TAD comments for Grattan Adequacy paper [SEC=UNCLASSIFIED]
Hi s 22,

I'm just heading into a meeting now for an hour. Sorry I am not going to get a chance to look at this.

Should be fine, I have spoken to s 22 about my views (some of which we wouldn't feed back anyway)

Kind Regards

s 22

Analyst – Model Development Practice
Tax Analysis Division
Level 5, 100 Market Street SYDNEY NSW 2000
phone: s 22
email: s 22 @TREASURY.GOV.AU

The Treasury acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures and to elders both past and present.

From: s 22
Sent: Monday, 15 October 2018 2:00 PM
To: RG TAD Retirement Income Modelling Unit; s 22
Subject: TAD comments for Grattan Adequacy paper [SEC=UNCLASSIFIED]

Hi all,

I've added a couple of comments and saved a version on our sharepoint:

http://tweb/sites/rg/tad/division/A_DIVISIONAL_Admin_Documents/RIMU/RIMU/181002_Grattan_draft_report_on_retirement_income_adequacy_-_TAD_comments.docx

Feel free to edit anything that I may have misunderstood/misrepresented.

s 22 did you want to add your comment about the AP taper rate?

RIPD are sending comments to SES for clearance at 3pm today, so if you could let me know of

any changes before 2:30pm that would be great.

Thanks,

s 22

s 22

-----Original Message-----

From: s 22

Sent: Wednesday, 31 October 2018 11:47 AM

To: Kennedy, Darren; Ewing, Robert

Cc: s 22; Jeremenko, Robert

Subject: Replacement rates [SEC=UNCLASSIFIED]

Hi Darren

I saw your recent question to TAD on where our replacement rates are sitting.

As background, I recently advised Robert (when he was in China) that it would be safest to describe our replacement rate for a median earner as above 90%. I checked this with s 22. The somewhat hedged response reflects that the last TAD analysis (their chart of the week which is >100%) was based on the AP at 70.

Robert E, I am not trying to cut across whatever response you think is appropriate for Darren's speaking engagement tomorrow. That said, the Grattan report is due out next Wednesday, and an obvious question I think we will need to address in our briefing to the Minister's office is "are Grattan's estimates accurate". To which our answer I think ought to be something like "Treasury estimates are broadly consistent with Grattan's. Replacement rate for median of [X/above 90]." But obviously, happy to discuss that.

Cheers

s 22

-----Original Message-----

From: s 22

Sent: Thursday, 25 October 2018 1:02 PM

To: Jeremenko, Robert

Cc: s 22

Subject: RE: [SEC=UNCLASSIFIED]

s 22



(While the number back in march was >100%, since then the age pension age was reduced and we could adopt a slightly different way of calculating the figure). Grattan's number with age of 67 are 98 on our March methodology and 92 on something similar to what we were mulling recently.

s
2

s 22



From: s 22
To: [RG TAD Retirement Income Modelling Unit](#)
Subject: RE: For review - RIMU - Grattan talking points [SEC=UNCLASSIFIED]
Date: Tuesday, 6 November 2018 12:22:47 PM
Attachments: [181106 MS Grattan Money in retirement \(TAD edits\).docx](#)

Edits, in attached.

From: s 22
Sent: Monday, 5 November 2018 9:55 PM
To: s 22
Cc: s 22 ; RG TAD Retirement Income Modelling Unit; s 22
Subject: Re: For review - RIMU - Grattan talking points [SEC=UNCLASSIFIED]

Thanks s 22 .

With s 22 comments that looks pretty good.

I think we should talk to SPD about the CRA rec in the morning, though it is a DSS thing.

s 22 I will be tied up with GEM/Indonesia presentation so can you please finalise by 12.

Sent from my iPad

On 5 Nov 2018, at 4:51 pm, s 22 [@TREASURY.GOV.AU](mailto:s22@TREASURY.GOV.AU)> wrote:

Hi s 22 /RIMU

As discussed earlier today, attached are some proposed talking points on the Grattan Report on retirement incomes ahead of its release tomorrow night. As I'm out of the office tomorrow, we'd appreciate it if you could please feed any proposed comments/edits back to s 22 and s 22 **tomorrow morning** so we can send this up to Ministers' Offices.

s 22 – if you'd like to edit or add anything when you're back tomorrow maybe discuss directly with s 22? This is intended to sit on top of s 22 summary.

Thanks in advance

s 22

s 22

Analyst

Accumulation and Savings Unit | Retirement Income Policy Division
The Treasury, Level 6, 120 Collins Street, Melbourne, VIC 3000
phone: s 22
email: s 22 [@treasury.gov.au](mailto:s22@treasury.gov.au)

<181106 - Grattan Report - talking points.docx>

From: s 22
To: [RG TAD Retirement Income Modelling Unit](#); [RG TAD SES](#)
Subject: FW: Draft for comment - Grattan report on retirement income adequacy [SEC=UNCLASSIFIED]
Date: Tuesday, 2 October 2018 12:56:07 PM
Attachments: [GRIM TECHNICAL SUPPLEMENT - REVIEWER VERSION - 1 OCTOBER 2018.pdf](#)
[Retirement adequacy report - REVIEWER VERSION - 1 OCTOBER 2018.pdf](#)

FYI – Grattan is doing a report on retirement income adequacy and are after comments by Monday 15 October.

Team – will be good to get your views.

From: Brendan Coates [mailto:Brendan.Coates@grattaninstitute.edu.au]
Sent: Monday, 1 October 2018 8:31 PM
To: s 22; Jeremenko, Robert; Dowdell, Michelle
Cc: John Daley; Jonathan Nolan; Owain Emslie
Subject: Draft for comment - Grattan report on retirement income adequacy

Dear s 22 Michelle and Robert

Attached is a draft of our upcoming Grattan Institute report on retirement income adequacy, which we are planning to publish on 7 November.

The report reviews Australian's retirement incomes policy. It investigates the different ways of measuring whether retirement incomes are 'adequate'. It compares the reality for retirees today, and the likely outcomes for retirees of tomorrow, with these standards. It then assesses current and proposed retirement incomes policy given the competing considerations: lower incomes when people are working; and the budgetary cost of government support for retirement incomes. It concludes by outlining the policy changes that would improve Australia's retirement incomes policy.

Also attached is a Technical Supplement that provides more details on the Grattan Retirement Income Model that underpins much of the analysis in the report.

We would be very grateful for any comments that you have on the draft. We appreciate it is a long document. If you can get thoughts through to us by Monday 15 [October](#) that would be much appreciated.

If you have any queries, please call me on s 47F, or John Daley on s 47F.

Many thanks for your support, which is enormously appreciated.

Best wishes

Brendan

Brendan Coates | Fellow
GRATTAN Institute | 8 Malvina Place Carlton VIC 3053
Telephone: s 47F
brendan.coates@grattan.edu.au | www.grattan.edu.au
[@brendancoates](#)

From: s 22
To: [RG TAD Retirement Income Modelling Unit](#); s 22
Subject: TAD comments for Grattan Adequacy paper [SEC=UNCLASSIFIED]
Date: Monday, 15 October 2018 1:59:32 PM

Hi all,

I've added a couple of comments and saved a version on our sharepoint:

[http://tweb/sites/rg/tad/division/A_DIVISIONAL_Admin_Documents/RIMU/RIMU/181002_Grattan_draft_report_on_retirement_income_adequacy - TAD comments.docx](http://tweb/sites/rg/tad/division/A_DIVISIONAL_Admin_Documents/RIMU/RIMU/181002_Grattan_draft_report_on_retirement_income_adequacy_-_TAD_comments.docx)

Feel free to edit anything that I may have misunderstood/misrepresented.

s 22, did you want to add your comment about the AP taper rate?

RIPD are sending comments to SES for clearance at 3pm today, so if you could let me know of **any changes before 2:30pm** that would be great.

Thanks,

s 22

From: s 22
To: [RG TAD SES](#); [RG TAD Retirement Income Modelling Unit](#); s 22
Subject: FW: Grattan report: Money in retirement - talking points and background - MS18-003777 [SEC=UNCLASSIFIED]
Date: Tuesday, 6 November 2018 2:13:34 PM
Attachments: [Grattan report embargo copy - Money in retirement.pdf](#)
[181106 MS Grattan Money in retirement.pdf](#)

FYI – advice has been sent to the office about Grattan’s retirement incomes report. Also note that Grattan are likely to make GRIP (their version of EMORI) publicly available on their website.

s 22

Manager | Retirement Income Modelling Unit

Tax Analysis Division | The Treasury

Phone: s 22

Email: s 22 [@treasury.gov.au](#)

From: s 22
Sent: Tuesday, 6 November 2018 1:59 PM
To: RG TAD Retirement Income Modelling Unit
Subject: FW: Grattan report: Money in retirement - talking points and background - MS18-003777 [SEC=UNCLASSIFIED]

From: s 22
Sent: Tuesday, 6 November 2018 1:58 PM
To: FG Retirement Income Policy Division; s 22
Subject: FW: Grattan report: Money in retirement - talking points and background - MS18-003777 [SEC=UNCLASSIFIED]

FYI and thanks to SPD and RIMU!

s 22

Manager, Accumulation & Savings Unit

Phone: s 22 | Mobile: s 22

From: s 22
Sent: Tuesday, 6 November 2018 1:57 PM
To: s 22; AT Ministerial Submission Distribution
Cc: TSR Ministerial Submission Distribution; FG RIPD DEM; s 22
Subject: Grattan report: Money in retirement - talking points and background - MS18-003777 [SEC=UNCLASSIFIED]

Hi s 22,

Please find attached briefing and talking points on Grattan’s report *Money in retirement – more than enough* as requested. I have also attached the embargo copy of the report sent but note that Grattan have indicated they are still making wording changes to the report.

Please don’t hesitate to call if you have any questions or need anything further.

Cheers,

s 22

s 22

Manager, Accumulation & Savings Unit
Retirement Income Policy Division | Fiscal Group
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