

My second submission:

1. I think the role of Government in retirement income should be limited to a welfare support function at two levels. The bottom level of an aged pension is good as a means-tested anti-destitution payment. The second level of superannuation is currently a grossly inequitable and unsustainable tax haven and needs comprehensive reform. (See my other submission). Instead, the second level should be a tax concession subsidised super system that assists everyone, where they can, to bulk up to a level of adequacy in retirement income somewhere between modest and comfortable, with a cap of around, say, seven hundred thousand in super (indexed). For those who want to go for wealth, they should do it within the current tax system. GOVERNMENT has no role in providing tax welfare for the wealthy. These people can do it for themselves, if they so decide. I guess I am talking about what used to be called a reasonable benefit limit for super.

2. I support stability in super policy to prevent retrospective appropriation of funds or frivolous rule change. But many privileged people use this mantra to entrench interest and stopping future change to existing excesses that will continue to work in their favour e.g. ceasing earnings tax concessions on amounts over a reasonable benefit limit.