The objective of superannuation is to preserve savings to deliver income for a dignified retirement, alongside government support, in an equitable and sustainable way.

Defining the objective of superannuation should allow for better alignment of all superannuation legislation, superfund constitutions and investment options, and better targeting of government retirement benefits.

The proposed objective of 'preserve savings to deliver income' should lead to limiting the use of superannuation for estate planning purposes, potentially decrease its use in tax minimisation and restrict lump sum withdrawals – further decreasing reliance on the aged pension.

The proposed objective of 'equitable and sustainable' is not what our current superannuation regime is delivering. The flat taxation (until the Division 293 threshold) rather than progressive taxation on superannuation contributions and earning is equal but not equitable – it provides the greatest benefit to those on the highest marginal tax rate. There is a strong element of negative age bias where those raising children and paying mortgages would be substantially better off in the long run with lower super guarantee rates and instead receiving that money in their take home pay – still with the option to make voluntary concessional contributions.

To make superannuation more sustainable, the Future Fund should offer a superannuation fund as an alternative to private superfunds. Australia's superannuation industry employs around 55,000 people and cost $34 billion in fees in 2018 (*The sum of the workforce in the ANZSIC 633 (Superannuation Funds) and 6419d (Superannuation Funds Management Services) classifications from Ibisworld. (2019). Superannuation funds in Australia—Market research report*). Offering the Future Fund as an alternative would increase competitiveness within the superannuation industry leading to lower fees necessary to pay for employees, marketing and donations to unions.

"Superannuation needs to fit within the broader fiscal strategy". The superannuation guaranteed rate is fixed (although on a progressively increasing trajectory to 12%) and therefore does not offer a fiscal policy tool for addressing inflation. Allowing the superannuation guarantee rate to move each quarter (aligned with the BAS, PAYG and SG contribution cycle), and the rate set by an independent body in a similar fashion to the RBA setting the interest rate, would have a faster and more broad application to address inflation than interest rates which have variable delays and have costs borne by a smaller section of society. Providing the power to vary the SG rate to an independent body would remove the partisanship and political point scoring of any changes and lead to more rapid implementation. Singapore has successfully used its Central Provident Fund contribution rates in previous economic recessions.