

Coalition Party Room must debate superannuation policy

12 July 2016

When Coalition MPs and Senators meet next Monday in the party room they should insist on a debate about the Government's superannuation policy, a debate they were not given the chance to have before the budget and the election.

Media reports since the election reveal that many Coalition MPs and Senators are deeply concerned about the effect of the superannuation changes on their vote with reports that traditional Liberal voters turned their backs on the party in anger and disillusion.

When the Coalition party room meets backbenchers should challenge senior ministers who seem determined to press ahead with the policy in spite of the election result and the concerns of Coalition members.

Even the Cabinet appears to be split with reports that Julie Bishop, Chris Pyne, Peter Dutton and Barnaby Joyce have expressed concerns about the voter backlash but have been rebuffed by Malcolm Turnbull, Scott Morrison and George Brandis.

The Coalition backbench should insist on a review of the controversial superannuation changes before they are introduced to the Parliament in legislation.

Labor's spokesman on superannuation, Dr Jim Chalmers, is right in calling for an independent evaluation of the superannuation changes. SMSF Owners' has been saying so since the election.

Dr Chalmers says that given the "serious internal dissent" within the Coalition over "dramatic and drastic" changes that were "dropped on the table on the eve of an election", the government should take the time to get superannuation policy settings right, saying "people's retirement incomes shouldn't be messed with on a whim."

We agree.

Labor should refuse to pass the superannuation legislation in the Parliament until it has been independently reviewed.

Labor should also stick to its guns on opposing retrospective tax measures.

So far, there has been no genuine consultation with the superannuation sector, including the one million owners of self-managed funds. The Tax White Paper process was stopped in its tracks and the review of the objective of superannuation just went through the motions to justify decisions made in the budget.

At a minimum, a review of the fairness and workability of the Budget measures should be undertaken. There are many unanswered questions about how they will work in practice. A better option would be to complete the White Paper process with a thorough analysis of the many thoughtful submissions made, but so far ignored, on the purpose, efficiency and adequacy of superannuation and appropriate taxation of retirement savings.

Superannuation is too important to the lives of most Australians to be subject to piecemeal change according to the government of the day.

Contact:

Duncan Fairweather

Executive Director

SMSF Owners' Alliance

dfairweather@smsfoa.org.au

0412 256 200