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## No Age Barriers for Retirement Saving

Suncorp Life CEO Geoff Summerhayes said Australia needs a superannuation system that doesn't discriminate against an active Australian.

In a recent Suncorp submission to the Australian Law Reform Commission on *Grey Areas - Age Barriers to Work in Commonwealth Laws Discussion Paper*, Suncorp believes that a holistic policy approach is required to support mature workers to enter, re-enter and remain in the workforce for longer as they age.

Mr Summerhayes said Suncorp supports the removal of age barriers across the board, supported by a 'no disadvantage test', financial caps or capacity based assessments.

"The key to mature age workforce participation is to recognise that the ideal retirement age varies for each individual," Mr Summerhayes said. "It is important to remove age barriers where appropriate and allow greater flexibility in the transition to retirement."

Mr Summerhayes said the main barriers for older workers contributing to their retirement currently are:

- Superannuation funds restricting voluntary contributions for those over 65 years of age and;
- Work tests for superannuation members aged 65 years and over who want to make voluntary contributions.

The 2010 intergenerational report<sup>i</sup> reveals, by 2050, there will be 2.7 people of working age for every person over 65, compared to five working aged people per aged person today. This will see an increase from a quarter to half of all total Australian government spending specifically directed to health, age-related pensions and aged care by 2050.

"The writing is on the wall that we must improve productivity if we are going to cope with an aging population" he said. "Increasing the workforce participation rates for workers aged 55 and over would certainly assist in boosting our national gross domestic product and reduce reliance on the Age Pension."

"I believe that as Australians continue to have an active lifestyle, the choice of retirement should be a personal one and there are numerous national and personal benefits of supporting this choice."

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<sup>i</sup> Australia to 2050: Future Challenges report – Released 1 February 2010:

<http://www.treasurer.gov.au/DisplayDocs.aspx?doc=pressreleases/2010/012.htm&pageID=003wms&Year=&DocType>