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Media Release

Tasplan is Tasmania's largest multi-industry super fund with over 90,000 members, 8000 participating employers and \$575,000,000 of funds under management

Super – An Election Winner

11/10/04

Big winners out of the recent federal election were those Australians eligible for superannuation assistance under the Government's Co-contribution Scheme.

Flagged by the Labor Opposition for termination on the day following the Federal election (to pay for its tax policy), the co-contribution scheme has been immensely popular with Australians serious about saving for their retirement.

And it's little wonder – it's a great deal!

The federal Government makes a payment of \$1.50 for every dollar made in personal (after tax) contributions made to your superannuation account – with a maximum co-payment of \$1500 per year.

To get the full benefit, your annual total income must be under \$28,000. However, if you earn more, you are still eligible for a proportion of the Government's payment provided your total income does not exceed \$58,000.

According to Tasplan General Manager, Neil Cassidy, the Co-contribution has become an important element of the superannuation scene and has been the single greatest boost to private superannuation savings in almost a decade.

“Just about everyone knows that the Superannuation Guarantee alone will not deliver a comfortable retirement to Australians.” Mr Cassidy said. “ the co-contribution has become an important supplement to the retirement savings of ordinary Australians.”

“Contrary to suggestions that it was a scheme which only benefitted the wealthy, our experience has been that Australians from all socio-economic backgrounds have been taking advantage of the Government's generous scheme.” Mr.Cassidy said

Too often it was forgotten that for low income earners, any amount of contribution attracted the Government's matching payment.. A contribution of \$500 for example drew a Government co-contribution of \$750 – a great deal whichever way you look at it.

Mr.Cassidy has urged all Australians to seriously consider their retirement plans and take advantage of the Government's co-contribution scheme – if they weren't already doing so.