

POLICY BULLETIN

RETIREMENT INCOME SYSTEM INQUIRY 2019

30 September 2019

IN BRIEF

The government has now released the much-awaited [terms of reference](#) for the retirement income system inquiry. With an ageing population, longer life expectancies, changing work and retirement patterns, and falling home ownership, it is an appropriate time to consider if the retirement income system is fit for purpose.

CPA AUSTRALIA'S APPROACH

As part of the impending consultation process, CPA Australia will be engaging with the consultation panel regarding the development of the public consultation paper due for release in November 2019.

We will encourage the review to consider:

- the entire retirement savings system, including the interaction of the component parts of superannuation (both compulsory and voluntary), the Age Pension, non-superannuation investments including the family home, and aged care and health needs
- an overarching long-term objective for the retirement savings system, not just the superannuation system
- the definition of retirement, the impact of changing work and retirement patterns – such as the gig economy, broken work patterns and early/late retirement, and the impact of increased life expectancy on preservation age, early access to superannuation, retirement, access to the Age Pension and subsidised health benefits
- the adequacy of retirement savings, the impact of health care and aged care costs, and reducing rates of home ownership in delivering a dignified retirement for Australians
- encouraging retirement incomes and the development of a robust retirement income system
- the economic and societal value of the superannuation system
- the effectiveness of the current taxation regime and other mechanisms in encouraging and supporting the accumulation of adequate retirement savings and the responsible and sustainable use of those savings in retirement, including the tax-free treatment of superannuation after age 60
- whether Australians will save for their retirement in the absence of compulsory superannuation, and the appropriate level of government support through the taxation system

- the level of superannuation contributions required, the appropriate mix between compulsion, soft compulsion and measures to encourage voluntary contributions, and adequate flexibility to accommodate changing employment patterns and life events
- the role of education and financial literacy in maximising retirement outcomes
- a consideration of differences across age ranges, employment situations, cultures, gender, family circumstances and geographical regions
- benchmarking the Australian retirement savings system against international pension systems.

Contact

Richard Webb

P: 03 9606 9607

E: richard.webb@cpaaustralia.com.au

E&OE LEGAL NOTICE Copyright CPA Australia Ltd (ABN 64 008 392 452) ("CPA Australia"), 2019. All rights reserved. The reproduction, adaptation, communication or sale of these materials ('the Materials') is strictly prohibited unless expressly permitted under Division 3 of the Copyright Act 1968 (Cth). For permission to reproduce any part of these materials, please contact the CPA Australia Legal Business Unit - legal@cpaaustralia.com.au. CPA Australia does not warrant or make representations as to the accuracy, completeness, suitability or fitness for purpose of the Materials and accepts no responsibility for any acts or omissions made in reliance of the Materials. These Materials have been produced for academic purposes only and are not intended, in part or full, to constitute legal or professional advice. To the extent permitted by the applicable laws in your jurisdiction, CPA Australia, its employees, agents and consultants exclude all liability for any loss, damage, claim, proceeding and or expense including but not limited to legal costs, indirect special or consequential loss or damage, arising from acts or omissions made in reliance of the Materials. Where any law prohibits the exclusion of such liability, CPA Australia limits its liability to the resupply of the information.