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ALL MEMBERS
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Government masks proposed 3 per cent super increase

The federal government has recently passed the *Superannuation Guarantee (Administration) Amendment Bill 2011* through the Lower House. This Bill proposes to increase the compulsory Superannuation Guarantee rate from 9% to 12% as well as the mandatory contribution age for superannuation from 70 years to 75 years.

In an attempt to disguise the financial impact this will have on employers, particularly small businesses, the government debated the proposed superannuation increases at the same time as the debate on the mineral resources rent tax (mining tax).

It appears the government chose to 'bundle' these Bills in order to create the impression that the mining tax will in some way offset the increases in superannuation. However, this is not the case. In reality, the burden of the 3% superannuation increase (incremental increases of 0.25% every year from 2013) will fall on employers' shoulders.

In accordance with *Printing Industries'* objective to oppose any legislation that is likely to have a detrimental impact on our industry, we have called on the government to disengage any further debate on the Superannuation Guarantee Bill from that of the mining tax.

Additionally, we have also encouraged the government to propose a funding method for the superannuation increase or failing that, for the increase to be offset against any future wage increases given by Fair Work Australia.

Printing Industries will keep members informed of further developments on this issue as and when they occur. Members with queries should contact *Printing Industries'* National Employee Relations department on 1800 227 425.

Yours sincerely

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