



Inquiry into Improving Superannuation Savings of People under Age 40

The House of Representatives Economics Committee is to examine issues associated with the superannuation savings of people under 40 years of age. The inquiry has been initiated in response to concerns that the superannuation savings of young adults may be falling short of the optimum savings level required to fund their retirement incomes. Sustaining voluntary contributions to superannuation by young people is a key factor in preparing for the economic wellbeing of our ageing population.

The inquiry has been referred by the Minister for Revenue and Assistant Treasurer, Mal Brough.

The Chair of the House Economics Committee, Bruce Baird, said: "This inquiry is very important as it focuses on the formative years of superannuation savings, rather than savings in the later working years."

The Committee will focus on the importance of young adults laying strong foundations for retirement savings and the reasons why this age group may not be participating or are under-participating in this form of saving.

"We need to better understand both the current incentives and disincentives to contribute to superannuation for the under 40s. It is important that this age group views superannuation savings as a necessary and positive way to fund their retirement income and future lifestyle choices," Mr Baird said.

The Committee is expected to consult and travel to both metropolitan and rural/regional areas to gather views from stakeholders and the community.

More specifically, the terms of reference the inquiry will consider are:

Improving the superannuation savings of people under age 40 with particular reference to:

- **Barriers and/or disincentives to contribute to superannuation;**
- **Current incentives in place to encourage voluntary superannuation contributions;**
and
- **Improving their awareness of the importance of saving early for their retirement.**

The Committee expects to report to parliament by late 2006.

Further details about the inquiry, including how to make a submission, can be obtained from the Committee's website at www.aph.gov.au/house/committee/efpa or by contacting the Committee secretariat on (02) 6277 4587 or emailing efpa.reps@aph.gov.au.

For media comment: Please contact the Committee Chairman, Bruce Baird MP, on (02) 9525 8200.

For background information: telephone 02 6277 4587, email efpa.reps@aph.gov.au or visit online from the Committee's website www.aph.gov.au/house/committee/efpa