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Latham MPs' super plan should go further

Opposition leader Mark Latham's plan to replace the over-generous and over-protected MPs' superannuation scheme with a regular fully-funded, market based scheme is a good start but needs to go further, according to Peter Andren, Member for Calare.

"Mr Latham is talking about setting up a super scheme for politicians similar to any other, but his plan needs to include choice of fund rather than another compulsory scheme, and it should apply to all MPs not just newcomers," Mr Andren said.

"Retiring MPs and Senators can currently access a minimum pension of \$51,000 a year for life if they have served eight years in parliament or lose their third election or preselection, and the pension increases the longer they serve and if they hold ministerial or other positions.

"The Opposition leader is obviously listening to the anger and dismay in the electorate in acknowledging the MPs super scheme should be brought in line with community standards.

"The community standard is the 9% guaranteed employer contribution while most employees want to have their contributions paid into a fund of their own choosing – a choice which the government is still trying to legislate in the face of Labor opposition.

"Why, under the Latham proposal, should the Remuneration Tribunal determine which fund manages their superannuation? Why should MPs have a super nanny?

"If politicians are supposed to look after the country's finances surely they should be able to manage their own superannuation arrangements.

"Until Mr Latham officially announces his policy next week, I will reserve my judgement, but it seems he's moving towards something like the present commonwealth public servants scheme with a 15.4% employer contribution.

"While this is far better than the 68% commonwealth contribution to MPs' pensions, it is still well above the 9% super guarantee.

"If Labor is really 'fair dinkum' about bringing MPs' super into line with the rest of the community then the employer contribution should be no more than what members and senators are prepared to legislate for the rest of the community," Mr Andren said.

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