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# Morrison's super concessions not easing Coalition division

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Divisions within the government over superannuation reforms are deepening, as Scott Morrison prepares to backflip on key elements of the contentious \$5.6 billion policy package before parliament resumes next week.

As Labor deflects pressure over its support for a \$6bn omnibus savings bill by pointing to the government's shifting superannuation policy, the Treasurer will meet a group of Coalition MPs today to try to strike a compromise deal on the budget measure.

During consultations with government backbenchers in the past week, Mr Morrison indicated that he is prepared to lift the cap on concessional contributions from \$500,000 to \$750,000, but a growing number of MPs say that is not enough to win partyroom support.

Queensland MP George Christensen said lifting the cap to \$1 million would be the minimum needed to prevent him crossing the floor against the legislation.

"I don't like the lifetime cap at all, to be quite honest, but I appreciate the fiscal circumstances ...

so a million is what I will be looking for in order to make it palatable for me to vote for the thing."

MPs said Mr Morrison had wanted legislation for the policy overhaul drafted before parliament resumed, but first he needed to win over backbenchers concerned that the changes unfairly disadvantaged the Liberal base.

The superannuation package raises \$5.6bn new revenue, about half allocated to more generous concessions for parents returning to work and low-income earners.

As the government tries to pressure Labor to support \$6bn in savings it took to the election, opposition employment spokesman Brendan O'Connor seized on the superannuation policy to accuse the government of hypocrisy.

"We need to know whether (Malcolm Turnbull) is going to honour his commitment in relation to superannuation," he said.

"It's not good enough ... for the government to ignore its own division in relation to super and then impose upon Labor a discipline it can't impose upon itself."

South Australian Liberal MP Tony Pasin said a \$1m cap would make him "happier" about the

package, but he remained concerned about annual contribution thresholds and "considerable further discussion" was needed.

Queensland senator Ian Macdonald said increasing the cap was a "step in the right direction", but he wanted further briefings from government officials about the reforms' retrospective aspect.

"(Mr Morrison) maintains the view that it really is affecting a very small percentage of the very wealthy and, if that is right, it (the legislation) might be acceptable."

Three other Coalition MPs, who did not want to be named, said they would be seeking "substantial" changes to the detail of the policy, and would pursue their demands in meetings this week.

As Financial Services Minister Kelly O'Dwyer said the government was "making sure that we get it (the policy) right", other Liberal MPs said the issue was a distraction from the government's budget repair mission.

Industry Super Australia chief executive David Whiteley said moving to a \$1m per person lifetime cap would "wipe out" much of the \$550m in savings associated with that measure.