

FED:Older Australians question Abbott

By Susanna Dunkerley

CANBERRA, July 20 AAP - Older Australians want to know why Tony Abbott plans to scrap a program aimed at helping them stay in the workforce.

The opposition leader announced on Tuesday that a coalition government would axe Labor's plan to lift the age limit that compulsory superannuation is paid out.

Labor wants to increase the age cut-off from 70 to 75 beginning July 2013, and estimates the change will deliver \$15 million in savings in the first year.

Despite this, it was included among a raft of programs Mr Abbott wants cut to deliver \$1.2 billion in savings.

The nation's largest over-50s group, National Seniors, says it that doesn't make any sense.

"The coalition can spend this money on something else, and they will save on the aged pension," chief executive Michael O'Neil told AAP.

The decision is likely to be ideological, based on a false assumption that compulsory superannuation is a burden on employers, he said.

"This is not about giving older Australians jobs, these are folk who already have a job."

He warned it would be seen as a "slap in the face" for older voters, noting 43 per cent of the electorate was over 50.

"This announcement is insulting, it treats older people with contempt and as second-class employees."

"Why should parliamentarians like Tony Abbott in his 50s be eligible for a superannuation payment when someone in their 70s is not?"

More than 33,000 employees are estimated to benefit from the changes to the age limit in 2013-14, a number that will increase as the population ages.

Older people are also likely to be affected by Mr Abbott's plan to cut super co-contributions of up to \$500 to low income earners as many work part-time.

The former Howard government introduced the co-contribution scheme. Axing the current program will deliver \$830 million.

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