



Media Release

Tuesday, 13 May 2008

TAX CUT TO BOOST RETIREMENT SAVINGS

GESB, manager of WA's largest superannuation fund, encouraged Western Australians to invest their tax cut into superannuation and boost their retirement savings.

GESB Chief Executive Officer Michele Dolin said that even though the Commonwealth Government hasn't required people to invest the tax cut into super it was certainly an option for people to consider.

"For those earning \$35,000 - 45,000 per year, the tax cut will be around \$20 per week," said Ms Dolin.

"Investing \$20 a week, or roughly \$1000 a year, can give people an extra \$281,000 in retirement. For many, that's an extra eight years of income in retirement.

"And, as a further benefit, this small amount invested each week means eligible people will then qualify for the Commonwealth Government Co-contribution scheme next year as well."

Low and middle income earners, those earning under \$58,980, who make after tax contributions to their superannuation, would also qualify for the scheme, providing an additional boost to their retirement benefit.

Currently, individuals with an income less than \$58,980 will receive a Government co-contribution payment, if they meet eligibility conditions. Those on an income of \$28,980 or less receive the maximum co-contribution payment of \$1.50 for every \$1 of after tax contributions up to a maximum of \$1,500.

"By making personal contributions to your super it's possible to make a significant difference to the amount you have when you retire," said Ms Dolin.

Based on certain assumptions, if these assumptions change results may differ.

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About GESB (May08)

GESB manages the largest superannuation fund based in Western Australia and is a significant national player. It manages superannuation on behalf of 25% of Western Australia's workforce and with a 69 year track record, GESB has unrivalled experience in superannuation in Western Australia.

It is a member based organisation that manages the superannuation of current and former WA Public Sector employees and their partners. GESB has over 290,000 members and a growing investment portfolio of nearly \$9 billion.

GESB's primary purpose is to improve the long-term financial well-being of its members. The organisation offers a choice of competitive superannuation and retirement products, sound investment returns, competitive fees, excellent member services, and financial advice.

GESB will become a public offer fund and a member owned mutual on 1 July 2008.

For further information visit gesb.com.au