

PUBLIC SECTOR SUPERANNUATION

704. Mr A.P. O'GORMAN to the Minister for Education and Training:

Will the minister please advise the house how the innovative changes made to public sector superannuation will have the potential to benefit the state's teaching workforce?

Mr M. McGOWAN replied:

I thank the member for Joondalup for the question. We have an ageing teaching workforce. Today, the average age of teachers in the state school system is 48. Over the next five or so years, it is expected that more than 6 000 teachers will be able to take advantage of the innovative solution that we announced last week - phased retirement. That means that teachers - in fact all public servants - on defined benefits superannuation schemes will be able to take advantage of this initiative once they hit 55 years of age. It means, in effect, that people can access their superannuation while still working. They can engage in more flexible hours, if they like, and access their superannuation to increase their income while working, or they can salary package their entire salary and therefore greatly increase their superannuation when they finish working. What this means for any public servant over the age of -

Mr T. Buswell: The reason people can salary sacrifice and obtain income tax relief from the federal government is the changes made by Peter Costello to the federal superannuation and income tax laws - full stop.

Mr M. McGOWAN: The state government is taking advantage of that, because we see it as a sensible thing for the state government to do. It also involves the state government making an investment. It is probably quite an interesting thing for the Leader of the Opposition. Considering he is over 55 and has the member for Vasse sitting next to him, he probably should consider this very closely.

Mr E.S. Ripper: They're not taking phased retirement for the Leader of the Opposition. There's no phasing about what they're planning for him.

Mr M. McGOWAN: It is a forced redundancy!

Over the next five years, many teachers - we estimate more than 6 000 - will be able to take advantage of this change, and they will be able to access many additional thousands of dollars of income through this scheme. People talk about rewarding our teachers properly, particularly those with experience who have been in the classroom for a long time. This initiative will result in a massive pay boost for those teachers who are at the end of their careers and who will be able to take advantage of this scheme that the Carpenter Labor government has put in place in Western Australia. It comes on top of a range of other things such as massive pay rises for teachers, graduate salary increases, scholarships, early recruitment, and overseas and interstate recruitment. There is a range of initiatives going on out there to increase our teaching workforce, and this is one of them.