



BONUS: Anne - Marie Corboy says young people can benefit most from a super top up.

Give the kids a super boost

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PARENTS and grandparents are being urged to give young workers a kick-start in superannuation using the \$1500 co-contribution scheme.

A week before the end of the financial year, financial strategist Theo Marinis said grandparents, parents and spouses of low-paid people should be "rushing to contribute up to \$1000 to their family member's super account".

People who earn up to \$28,980 this financial year can receive the maximum co-contribution of \$1.50 for every dollar voluntarily contributed, up to \$1000, into their super fund.

Workers who earn between \$28,980 and \$58,980 still qualify for some co-

contribution but the amount is reduced by 5c for each dollar earned if their annual income is above \$28,980.

To qualify this financial year, a payment into super must be made by June 30.

Mr Marinis said the co-contribution would supercharge a young person's retirement savings.

"For a 19 year old who has been working in retail since February, earning say \$27,000 per annum and whose grandmother contributes an extra \$1000 to their super fund account and the government adds \$1500 in co-contribution, the grandchild's super will immediately jump to around \$3,300, including what is compulsorily put in by their employer," he said. "To make this happen, all you need to do is send a cheque to your

loved one's current super fund, along with their name and super account details. The Federal Government will then automatically credit the co-contribution once their tax return has been submitted."

Super fund HESTA estimated that fewer than 5 per cent of its members who benefited from the scheme were aged 25 years or younger.

Chief executive Anne-Marie Corboy said young people were more likely to gain the greatest benefit from making an after-tax contribution.

"We want young members to understand they can reap big rewards from small investments they make today because their money will work for them for a longer period of time," she said.