



Federal Budget 2022-23 Quick facts

Federal Budget super update

This update is intended to keep readers informed of current developments in superannuation and is not intended to be used as a substitute for professional advice. It doesn't take into account your specific needs, so you should look at your own financial position, objectives and requirements before making any financial decisions. Read the relevant Cbus Product Disclosure Statement to decide if Cbus is right for you. Call us on **1300 361 784** or visit cbussuper.com.au for a copy. Also read the relevant Target Market Determination at cbussuper.com.au/tmd. While all care has been taken to ensure that the information in this update is correct, Cbus expressly disclaims all liability and responsibility to any person who relies, or partially relies, on the content, any error or misprint, or for any person who acts on this information.

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Federal Budget
super update

Quick Facts

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All the changes announced in the Federal Budget are what the Government plans to do. No changes are law (unless otherwise indicated) until passed by Parliament.

Before making any decisions, you need to check whether any of these announcements have become law.

The 2022–23 Federal Budget was released on **Tuesday 29 March 2022.**

With an election just weeks away, this year's budget proposed a number of measures to address the rising cost of living. However, this is the first budget in several years that hasn't announced a major change for your super.

This fact sheet outlines some of the key proposals and how they could impact Cbus super members, income stream members and our employers.

If you're working

More money in your pocket at tax time

To help address the increasing cost of living, a one-off \$420 cost of living tax offset will be available for low and middle income earners. The existing low and middle income tax offset will also be extended for another year.

If you're eligible, this means you could get up to \$1,500 back at tax time.

These measures were passed by Parliament following the Budget announcement.

Get up to \$500 extra in your super

While many will use the extra cash to cover much needed essential items, if you can afford it, you could put some of it into your super and get an extra boost from the Government of up to \$500.

This co-contribution scheme isn't new, but it's a great way to give your super a boost if you're a lower income earner.

If you're eligible, the Government will contribute 50¢ to your super for every \$1 of after-tax contributions you make, up to a maximum of \$500. If your total income is less than \$42,016* you get the full amount, and this gradually reduces as your income increases, cutting out completely at \$57,016*.

Learn more about the co-contribution scheme and eligibility requirements at cbussuper.com.au/boostsuper.

* Limits for the 2022/23 financial year.



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If you're in or nearing retirement

Minimum income stream payments halved until 30 June 2023

If you have an income stream through Cbus, the law requires you to draw a minimum income from your account each year. This minimum was temporarily halved back in 2020 to help limit the impact of the pandemic and investment market volatility.

Given ongoing ups and downs in investment markets, the Government is proposing to extend these rules. This means you can select the lower minimum payments until 30 June 2023 and give your savings more time to recover from any losses. By limiting your payments, you're not locking in the losses when your income is paid.

The minimum payments shown below will apply:

Your age	Reduced minimum payment (until 30 June 2023)	Standard minimum payment (from 1 July 2023)
Under 65	2%	4%
65 to 74	2.5%	5%
75 to 79	3%	6%
80 to 84	3.5%	7%
85 to 89	4.5%	9%
90 to 94	5.5%	11%
95 and over	7%	14%

One-off cash payment

If you're a pensioner (or receiving other eligible government payments / concessions) you'll receive a one-off, income tax-exempt payment of \$250.

This will be paid automatically in April 2022 to eligible recipients of the following payments and to concession card holders:

- Age Pension
- Disability Support Pension
- Parenting Payment
- Carer Payment
- Carer Allowance (if not in receipt of a primary income support payment)
- Jobseeker Payment
- Youth Allowance
- Austudy and Abstudy Living Allowance
- Double Orphan Pension
- Special Benefit
- Farm Household Allowance
- Pensioner Concession Card (PCC) holders
- Commonwealth Seniors Health Card holders
- eligible Veterans' Affairs payment recipients and Veteran Gold card holders.

You'll only receive one payment, even if you're eligible for more than one category.

This measure was passed by Parliament following the Budget announcement.

How to change your income payments



Online

Log into your account at cbussuper.com.au/login



Over the phone

Call **1300 361 784**



Complete the form

Use the *Change your income stream details* form available at cbussuper.com.au/forms

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If you're an employer

Funding to help young tradies complete apprenticeships

The Government plans to invest \$2.8 billion over five years to upskill apprentices and reward employers for hiring them. This includes:

- payments to new apprentices in priority industries of \$5,000 (paid over two years)
- wage subsidies for employers who employ them of up to \$15,000.

A new streamlined Australian Apprenticeships Incentive System has also been proposed with a focus on those in priority trades.

Encouraging more women to take up trades



The Government is also proposing a \$38.6 million investment to encourage more women to take up trade apprenticeships.

This additional support – which will include guaranteed placings, in-training support and targeted mentoring – is hoped to help more women complete apprenticeships in male-dominated trades like plumbing and bricklaying.

Rolling infrastructure investment

An additional \$17.9 billion investment has been proposed for new and existing infrastructure projects across the country – largely focussing on regions and transport. These investments are expected to support around 40,000 jobs, including many in building and construction.

Funding is planned to hit each state including:

- **New South Wales:** \$1.0 billion for the Sydney to Newcastle – Tuggerah to Wyong Faster Rail Upgrade
- **Victoria:** \$3.1 billion for the Melbourne Intermodal Terminals.
- **Queensland:** \$2.7 billion for Faster Rail projects from Brisbane to the Sunshine Coast and Brisbane to the Gold Coast.
- **South Australia:** \$2.3 billion for the North-South Corridor.
- **Western Australia:** \$441.2 million for the METRONET.
- **Tasmania:** \$392.0 million for the Tasmanian Roads Package.
- **Northern Territory:** \$132.0 million for the Central Australian Tourism Roads.
- **Australian Capital Territory:** \$46.7 million for the Athllon Drive Duplication.

More information

Full details on the 2022–23 Federal Budget are available from budget.gov.au.



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