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It's always compelling to advance the "soak the rich" argument when the welfare lobby, progressive think tanks and policy wonks compete for the prize for who is the most fair and equitable of them all.

This is what we're seeing right now with superannuation – apparently the only thing on the government's table that's left for carving off tax revenue scraps.

ACOSS argued last week super has become a "wealth accumulation and tax avoidance vehicle for people with high incomes." This is simply not true.

Regulator data shows there is a very small number of Australians – less than 2000 – who took advantage of the generous Costello years to stuff millions into their superannuation accounts. Lucky them. While there are multi-millionaires in that cohort, there are also many ordinary working people who obeyed the rules of day in good faith and cashed in their small businesses or tipped lifetime savings through the Costello super loop for their retirement.

But this tax strategy no longer exists.

Changing the super rules to soak a small number of very wealthy people with high super balances would raise very little revenue. It would be counter-productive for the 11.5 million working Australians who really need to achieve higher savings rates.

The previous Labor government reduced the concessional caps from the overly generous $100,000 to $30,000 today, increasing slightly for over-50s to $35,000.

The Grattan Institute believes even this is too high, saying a more equitable cap would be $11,000. This is central to their philosophy of a much more progressive tax and transfer system than the one we have now. We could call this the "why bother" option for super.

Former Treasury official Geoff Carmody weighed in, saying the entire compulsory system should be scrapped because it's too expensive, and we all go back to existing on the age pension. How does that work with a shrinking tax base and an aging population? I look forward to telling my newly adult working children about how this would add to their groaning tax burden for the next 40 years.

We also need to remember that our massive super funds liquidity pool helped buffer Australia against the global financial crisis. Without compulsory savings we would very likely revert to the bad old days when Australians were some of the world's worst savers.

Taxing super more is not tax reform. Tinkering with the levels on the current concessional caps – say down to $20,000 as is rumored – to fix holes in the Budget or fund something else, will only annoy the vast base of Australia's aspirational workers who are trying to do the right thing and fund their own retirement.

It will also severely crimp the savings that older workers can achieve. People in their 50s now who did not enjoy the benefits of a lifetime of superannuation, and whose burden of family expenses and mortgages are over or reduced considerably, can now afford to put more into super.

Most of them don't have much at all – the average retirement payout is only $112,600 for women and $198,000 for men. The government should allow older workers to make up for lost time before they hit retirement. These people, including those who have spent their life on modest incomes want to be able to put more in to super, not less.

A lower cap for concessional savings will negatively affect self-employed men and women who spend their lives building up their small and medium sized businesses as their super. It will particularly annoy older women, especially those in their 50s and 60s who are trying to save as much and as fast as they can before getting their last pay cheque. This cohort has been unlucky in the retirement savings race, taking time out of work to raise children and care for elderly parents, perhaps getting divorced, all of which wrecks wealth accumulation. Not to mention the glaring fact that they started their working lives getting paid at least 17 per cent less than men, and will end up with vastly less money in their super funds.

We have a superannuation system that is based on the male, lifetime worker model, but which under-delivers for older Australians, male and female, as well as for women and carers. The only way they will achieve anything close to a comfortable self-funded retirement is if they're allowed to put more into super, not less. It would be wrong to keep them in the straitjacket of a retirement dependent on the age pension.

While detractors are getting airplay, ordinary Australians overwhelmingly support our system of compulsory superannuation. But everyone champing at the bit to soak the rich – however we measure that – needs to remember that taxing super won't fix our broken tax system.

And more tinkering with super will only damage Australia's key policy for managing the increasing costs of our aging population.