



Increased flexibility of PPL welcome but missed opportunity for super

Women in Super welcomes the passing of legislation today to give parents more flexibility in accessing the Paid Parental Leave (PPL) program. However, we are extremely disappointed that the Federal Government did not introduce the superannuation guarantee (SG) on PPL payments.

We hope that the increased flexibility will encourage more men to share the responsibility of caring for young children with their partners and that their employers will support them in their decision to do so. However, until we introduce super on such payments that are still predominately accessed by young women, we will continue to see a super structure that financially penalises the retirement outcomes of anyone undertaking valuable caring roles.

Australian women are currently retiring with approximately 40% less super than Australian men and the divergence in super balances usually coincides with the start of the so-called childbearing years. Women 55 and over are the fastest growing cohort of homeless people in Australia. Coupled with the fact that one third of women are retiring single, it is critical that women's retirement outcomes are not predicated on that of their partners. The introduction of superannuation policies such as paying super on PPL payments, removing the \$450 monthly threshold before super is payable and following through with the legislated increase to the SG of 12% scheduled for 1 July 2021, will together all help improve women's retirement outcomes.

Substantial numbers of young women have been adversely impacted by Covid 19 as heavily female dominated sectors such as retail, hospitality, child care and tourism, were severely hit in the economic downturn and many were forced to access most or all of their super balances under the Early Release of Super scheme. We are extremely concerned for the future retirement outcomes of these women. We would welcome the introduction of economic policies targeted at these sectors to enable these women to return to the workforce quickly and specific superannuation measures to enable them to not only access super but to rebuild their balances.

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Women in Super is a national advocacy and networking group for women employed in the superannuation and wider financial services industries, and advocates on behalf of its members and women generally to improve women's retirement prospects and access to superannuation.