

Media Release

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Women in Super backs teachers call to Palmer for fairer super

Women in Super (WIS), a national advocacy group for improving women's superannuation outcomes, wholeheartedly supports the Queensland Teachers Union in their call to Clive Palmer and the Palmer United Party senators to block the repeal of the Low Income Superannuation Contribution.

"The LISC is a vital policy measure that specifically helps 3.6 million workers earning up to \$37,000 save for their retirement – many of whom are rural-based, female and/or part-time workers," said Ms Wood, National Chair of Women in Super.

Many teachers will be affected by the proposed repeal of the LISC by the Abbott government. The LISC is neither a benefit payment nor a handout but a method of refunding a low income earner (typically rural/female/ part-time and/or casual worker) for the 15% contributions tax they pay on their compulsory super by up to \$500 per year.

Over two-million working women, 40% of the rural population and 70% of the part-time workforce benefit from the LISC. This annual super boost of a payment of up to \$500 can be worth substantially more over a working lifetime. It's an excellent, well-targeted long term measure which helps women (and low-income earners) reduce the super gap said Ms Wood.

"It is incomprehensible that the Government chooses to remove a tax break from 50% of the female workforce whilst leaving untouched the 30% super tax break for the highest paid - predominantly men."

"Clearly the Government should encourage all Australians, especially women to save for their retirement and all Australians, especially those earning less than \$37,000, should benefit from any regime of tax concessions" said Ms Wood.

WIS feels so strongly about the value of the LISC as an important tax equity measure they have launched a website called Keep Super Fair. This website encourages the general community to take action and sign the online petition and email their local MP to request their support to retain the LISC.

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“Women reducing their hours (and therefore accepting a lower income) to care for children, sick and disabled family members and older parents do not expect to be further penalised by paying more tax on their super contributions than on their take home pay.” said Ms Wood.

Women in Super had called on the Government to undertake analysis of the gender impact of budget measures in their pre-budget submission. “Clearly this has not been done as the increase in the pension age and proposed repeal of the LISC will disproportionately affect the retirement outcomes for women.” said Ms Wood.

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