



Manager
Contributions and Accumulation Unit
Personal and Retirement Income Division
The Treasury
Langton Crescent
Parkes ACT 2600

10 May 2013

Dear Sir or Madam,

RE: SUPERANNUATION CONCESSIONAL CONTRIBUTIONS CAPS

Thank you for the opportunity to comment on the Exposure Draft of the *Tax and Superannuation Laws Amendment (2013 Measures No. 3) Bill 2013: Superannuation concessional contributions cap*.

About us

Women in Super (WIS) is a national advocacy and networking group for women employed in the superannuation and financial services industries.

WIS lobbies on behalf of its members and women generally to government, politicians, unions, employer organisations, regulators, and superannuation funds to improve women's retirement prospects and access to superannuation.

WIS provides education and support to assist women in gaining opportunities to develop broader business, professional and personal networks, and aims to educate the greater community in order to improve their knowledge of superannuation. WIS strongly supports and encourages the appointment of women to superannuation fund boards, and works with other organisations and stakeholders to achieve this.

Comments on the proposals

WIS supports measures to assist older workers to build their retirement savings. In particular, WIS supports policies that assist women in 'catching up' in terms of their superannuation.

We support the Government's proposal to lift the concessional contributions cap to \$35,000 in 2013-14 for those aged 60 and over, and further in 2014 onwards for those aged 50 and over.

We acknowledge the need to address inequities in the superannuation system, such as generous tax concessions for high income earners, but also recognise that many women will not be in a position to contribute significantly to their superannuation until later in their working lives. It is well established that women retire with up to 50% less superannuation savings than men, yet have longer life expectancies and therefore need their savings to last longer.

Given that, in many cases, women are not able to make voluntary contributions to their superannuation until later in their careers, and women (and men) retiring over the next decade or so will not have had the full benefit of a working lifetime of nine per cent SG, our preferred position remains that there should be a \$50,000 concessional contributions cap for those over 50. We believe this would be an effective measure in allowing women to catch up and in part compensate for career breaks often taken to raise children or care for family members.

We have also previously supported AIST's proposal with regard to applying the 'bring forward rule' to concessional contributions so that those under 65 could bring two years' worth of entitlements and allow larger contributions in a particular financial year.

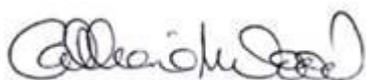
We have some concerns that the Government's proposal will not adequately assist those that need to build their balances significantly, because the proposed cap will not be indexed. We strongly believe indexation of the cap is vital, particularly because those retiring in the near future will not have had the full benefit of a working lifetime of compulsory super, and to combat that disadvantage should be allowed and even encouraged to catch up later in their careers.

Contact

If you wish to discuss any of the points raised in the submission, please contact either:

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Kind regards,



Cate Wood
Chair, Women in Super