



BPW Australia

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Submission to Government

Division Head, Retirement Income Policy Division
The Treasury
Langton Crescent
PARKES ACT 26

Treasury Consultation on the Objective of Superannuation

BPW Australia works to develop and promote the professional, leadership and business potential of women at all levels, through advocacy, mentoring, networking, capacity building, and economic empowerment programs. BPW Australia is affiliated with BPW International and was established as a civil society federation in 1947. Since then, we have continually advocated for gender equality and pay equity. BPW Australia is also a signatory, since 2011, to the United Nations Global Compact.

In this submission, BPW Australia relies on the research and analysis provided by the National Foundation of Australian Women (NFAW), authored by Professor Helen Hodgson, Curtin Law School, for NFAW Social Policy Committee.

BPW Australia strongly advocates for superannuation being underpinned by fiscal policy and legislation that drives economic security for retired Australians through adequate lifetime income streams. Women in Australia are at greater risk than men of poverty in retirement and old age and the causes of this gender inequality must be considered by the current consultation. The Australian Security and Investments Commission reported that superannuation accumulation in 2012 for those in the age group 60-64 was \$92k less for women than for men. We emphasise two of the key policy and legislative levers raised in the NFAW submission that should be considered as a remedy the gender gap:

- Superannuation guarantee on paid parental leave and other carer payments and
- Low income superannuation contributions by government.

Women take a greater share of the parenting and caring burden in Australia, and this contributes to their lower working life income and thus lower accumulation rates in superannuation. The focus of the current consultation must be on improving the superannuation system to provide adequate lifetime income streams through annuity products and to remove the risk of longevity extinguishing income from superannuation streams. BPW Australia agrees that the primary objective of the superannuation scheme is to achieve these outcomes.

BPW Australia also supports NFAW position on better integration of the superannuation system with the provision of the age pension but that in the current consultation outcomes reference to substitution of the age pension is removed.

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