



An open letter to the Prime Minister, Tony Abbott

Tuesday 12th November 2013

Dear Prime Minister,

On the opening of the 44th Parliament of Australia, we write to urge your Government to consider continuation of the Low Income Superannuation Contribution (LISC).

Australian workers who earn \$37,000 per annum or below currently receive a 'rebate' of the tax paid on their superannuation contributions. This is worth up to \$500. If the LISC is withdrawn, these workers will receive no tax break on their contributions, paying more tax than if the money was part of their take-home pay. It is surely unfair that while the highest paid workers receive a tax concession of 30 per cent, the lowest-paid would be penalised for saving for their retirement.

The LISC provides more than three million low-income earning Australians with a much-needed boost to their superannuation savings – many, if not most, of whom cannot afford to contribute 'voluntarily' to their superannuation.

Around 2.1 million of these working Australians are women – who will face many other barriers to saving throughout their working lives, such as unequal pay, breaks from the workforce, overrepresentation in lower-paid industries, and barriers to employment beyond age 45. Women have longer life expectancies and so need more savings to last longer. Continuation of the LISC will assist nearly half the female workforce in this respect.

The number of taxpayers in Australia is due to halve over the next 30 years, placing increasing pressure on taxpayers of the future to fund the Age Pension and making superannuation savings crucial to peoples' abilities to live comfortably in retirement. The continuation of the LISC will go some way to alleviating this stress.

We call upon your Government to continue this scheme and break the funding link between LISC and the Minerals Resource Rent Tax (MRRT). Funding of LISC should be prioritised, as it benefits a third of the Australian workforce and is a crucial policy initiative in working to close the gap in retirement savings between men and women.

Yours faithfully,

Catherine Wood, National Chair – Women in Super
Mavis Robertson AM, Founder – Women in Super
David Anderson, Managing Director & Market Leader (Asia Pacific) – Mercer
David Atkin, CEO – Cbus
Kelly Banister, CEO – Australian Women's Health Network
Hazel Bateman, Professor of Risk and Actuarial Studies – University of New South Wales
Pru Bennett
Lorraine Berends
Claire Braund, Executive Director – Women on Boards
Juliet Brown, Chair – StatewideSuper
The Hon. John Brumby, Deputy Chair – Industry Super Australia
Peter Bugden, Chair – Catholic Super
Neil Cassidy, CEO – Tasplan Super
Associate Professor Sara Charlesworth, Co-convenor, Work + Family Policy Roundtable – University of South Australia
Marie Coleman, Chair, Social Policy Committee – National Foundation of Australian Women
The Hon. Peter Collins, Chair – Industry Super Australia
Sandra Cook, Chair – economic Security4Women
Anne-Marie Corboy, CEO – HESTA
Dr Mary Crawford, President – National Foundation of Australian Women
Mary Crooks AO, Executive Director – Victorian Women's Trust
Louise Davidson, National Chair – Mother's Day Classic
Richard Dennis, Executive Director – The Australia Institute
Samiro Douglas, CEO – WIRE Women's Information
David Elia, CEO – HOSTPLUS
Angela Emslie, Chair – HESTA Super Fund
Melissa Fuller, Deputy CEO – Rice Warner
Tom Garcia, CEO – Australian Institute of Superannuation Trustees
Cassandra Goldie, CEO – Australian Council of Social Services
Sandy Grant, Chair - CareSuper
Michelle Griffiths, CEO – AvSuper

Frank Gullone, Managing Director, Gullone Group
Sally Herman, Non-Executive Director
Damian Hill, CEO - REST
Dr Elizabeth Hill, Co-convenor, Work + Family Policy Roundtable – University of South Australia
Debora Jackson, CEO – TWUSUPER
Philip Jackson, Presiding Member – Super SA & Southern Select Super Corporation
Ged Kearney, President – Australian Council of Trade Unions
Dr Caroline Lambert, Executive Officer – YWCA Australia
Julie Lander, CEO – CareSuper
Ruth Medd, Chair – Women on Boards
Sharon Morris, CEO – Mother's Day Classic
Gerard Noonan, Chair – Media Super
John O'Flaherty, Chief Executive – StatewideSuper
Kevin O'Sullivan, CEO – UniSuper
Professor Barbara Pocock, Co-convenor, Work + Family Policy Roundtable – University of South Australia
Danielle Press, CEO – Equisuper
Elizabeth Proust AO, Non-Executive Director
Fiona Reynolds, Managing Director – UNPRI & former CEO – Australian Institute of Superannuation Trustees
Anthony Rodwell-Ball, CEO – NGS Super
Elana Rubin, Non-Executive Director
Graeme Russell, CEO – Media Super
Carol Schwartz AM, Chair – Our Community
Richard Shearman, Chair – NGS Super
Ian Silk, CEO – AustralianSuper
Greg Sword, CEO – LUCRF Super
Leeanne Turner, CEO – MTAA Super
Phil Vernon, Managing Director – Australian Ethical Investment
Karen Volpato, Chair, Policy Committee – Women in Super
Bruce Wilson, CEO (Acting) – Sunsuper