

19 September 2018

HESTA welcomes package of measures to close gender super gap

HESTA welcomed the Federal Opposition announcement today of a range of policy measures aimed at tackling the persisting super gender gap that sees women retire with more than 40 per cent less super than men.

HESTA CEO Debby Blakey said it was pleasing to see that the proposed changes to super involved a number of measures the Fund has long advocated for to improve the disparity in superannuation outcomes for women.

"This is a comprehensive package of measures to address the gender super gap and it's pleasing to see reforms we've long supported taken up such as phasing out the antiquated \$450 minimum monthly super threshold and considering the impact of future super changes on women," Ms Blakey said.

"These proposed changes are significant steps towards ensuring our super system is fairer to women and we call on all sides of politics to prioritise this issue and act swiftly to address the persisting gender inequities in our super system."

The Federal Opposition announced a raft of changes including:

- paying the Super Guarantee (SG) on Paid Parental Leave and Dad and Partner Payments
- phasing out the \$450 super threshold that sees employees miss out on SG contributions from an employer if they earn under this amount per month
- amending the *Sex Discrimination Act 1984* to allow businesses to make higher 'catch up' super contributions to their female employees
- considering how future super changes would impact women via an annual women's budget statement and ensuring super tax policies are reviewed every five years.

Ms Blakey said that scrapping the \$450 threshold was long overdue as many HESTA members work in part-time and casual roles and may fall below this \$450 monthly income threshold as they could have multiple employers.

"This \$450 threshold means that women, who are more likely to work in part-time and casual roles, particularly in our health and community services sector, can miss out on the benefits of super entirely," Ms Blakey said.

Ms Blakey described the proposal to make it easier for employers to pay extra super contributions to their female employees as a positive interim measure but noted employers addressing gender pay gaps will be more effective by addressing a key driver of women's lower super savings.

"We'd encourage employers to undertake a comprehensive pay equity analysis and commit to closing any gender gaps. By doing this they ensure that women in their workplaces are on an improved trajectory to a more financially secure retirement."

HESTA is a Workplace Gender Equality Agency's (WGEA) Employer of Choice for Gender Equality and Ms Blakey has been a WGEA Pay Equity Ambassador since 2012.

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HESTA

*HESTA is an industry superannuation fund dedicated to those working in the Health and Community Services Sector. HESTA has over **850,000** members and manages more than **\$46 billion** of members' assets. Please note HESTA is an acronym and should be capitalised.*

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