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## Equal Pay Day: close the super gender gap

On the eve of Equal Pay Day, the **Australian Institute of Superannuation Trustees (AIST)** – the peak body for the \$450 billion not-for-profit super sector – has reiterated its call on the Government to adopt measures to close the superannuation gender gap.

**AIST CEO Fiona Reynolds** said ongoing equal pay inequity, combined with women’s lower rates of workforce participation and the fact that women live longer than men, meant many women would retire in poverty.

“The average superannuation balance for women is less than half that of men,” Ms Reynolds said. “Women earn, on average, 17 per cent less than their male counterparts, which has a detrimental effect on their ability to save.”

AIST’s own research has found that women are far more likely to rely on some form of Government pension in retirement.

“At least two-thirds of Australian women in retirement rely on the Age Pension, or some other Government pension, as their sole source of income,” Ms Reynolds said. “Lower average wages across the lifetime, which translates into less superannuation, means women have fewer choices now, and in retirement.”

“Pay inequity isn’t the only reason why women tend to fare worse than men in retirement – they spend more time out of the workforce, raising and caring for family, and they are more likely to work in casual and part-time roles, in lower-paid occupations,” Ms Reynolds said.

“The average career break is seven years, which can cost a woman up to \$70,000 in lost superannuation,” Ms Reynolds said.

AIST noted the Government had taken steps to improve the super balances of low-paid workers by introducing a tax rebate on super contributions for those earning under \$37,000 per annum, and continuing the co-contribution scheme.

“Naturally, we welcome the measures the Government has already taken to assist low-paid workers, many of them women, in improving their superannuation balances. But more needs to be done to ensure we bridge the super gender gap,” Ms Reynolds said.

AIST has called on the Government to ensure superannuation is paid on parental leave, and to remove the \$450 monthly income threshold for compulsory superannuation payments.

“These measures will go a long way to helping women build their super balances and, when combined with the increase to 12 per cent compulsory super, will help to bridge that super gender gap.”

### Further media enquiries:

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***AIST is the peak industry body for the \$450 billion not-for-profit super sector which includes industry, corporate and public sector funds covering the super interests of nearly two-thirds of the Australian workforce.***