



NEW SOUTH WALES

MEDIA RELEASE

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COTA NSW WELCOMES RETENTION OF LOW INCOME SUPER CONTRIBUTION

“We’re pleased to see that the Low Income Superannuation Contribution will be retained, despite the Federal Government’s moves to axe it in the recent Budget,” says Ian Day, CEO of Council on the Ageing NSW (COTA NSW). It’s abolition was opposed in the Senate.

The Low Income Superannuation Contribution provides a superannuation tax break of up to \$500 for 3.6 million of Australia’s low income earners. To be eligible, individuals have to earn \$37,000 or less per annum.

“Many in the superannuation sector regard the Low Income Superannuation Contribution as an example of sound, well-targeted policy.”

“Our last Parliamentary Forum looked at the growing numbers of low income earners who are heading towards retirement with inadequate levels of superannuation. It also addressed the fact that many of those who are facing an impoverished old age are women who’ve spent time out of the paid workforce so they could care for children or other family members. COTA NSW called for governments of all stripes to do more to ensure that those who’ve offered care to their loved ones don’t end up paying the price in old age.”

“A number of the speakers at our Parliamentary Forum argued there’s an urgent need to ‘compensate’ carers – primarily women – for the contribution they make by offering ‘carer credits’, pension reform or superannuation top-up schemes.

“It’s vital that people understand that two-thirds of the people who are eligible for the Low Income Superannuation Contribution are women. We need to see more initiatives that will bolster women’s later life security” said Mr Day, “not less.”

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Interview Ian Day

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