

SUPERANNUATION

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The Super Guarantee legislation requires the employer to pay 9% of the employee's Ordinary Times Earnings that is pay excluding overtime. That is the default position.

Many employers pay more than this, usually as a result of enterprise bargaining agreements or industrial awards.

If there are no payments for long service leave then there will be no super guarantee payments for unpaid leave taken.

Most women will be struggling to get an adequate retirement income on 9%, even if the employer pays long service leave and super guarantee on it.

Unions are often successful in gaining higher super payments for their members in an enterprise bargaining context.

An individual signing a contract is unlikely to be able to achieve anything more than the legal default requirement, the 9% of Ordinary Times Earnings.

If an employer pays an employee \$450 per month or less, super guarantee does not apply.

For many part time workers, of whom most are women, this means no super, as they may have several part time jobs, each paying less than \$450 per month, so no single employer has to pay the Super Guarantee.

I cannot think of any way in which the proposed IR changes will enhance super for women, but there are many ways in which they may lead to the super contributions being reduced.

There are a lot of variations in what super is actually paid because of the industrial history of the policy.

If you go to the ASFA website www.superannuation.asn.au you will find a lot of good technical info on women and super, for example the Facts Sheet on Adequacy which you can download, spells out the situation for women.