



National
Foundation for
Australian
Women

REAL WOMEN. VISIONARY LEADERSHIP

Submission to the Senate Economics Committee Inquiry into
Economic Security for Women in Retirement

www.nfaw.org.au

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By authority of the Social Policy Committee

The National Foundation for Australian Women is dedicated to promoting and protecting the interests of Australian women, including intellectual, cultural, political, social, economic, legal, industrial and domestic spheres, and ensuring that the aims and ideals of the women's movement and its collective wisdom are handed on to new generations of women.

NFAW is a feminist organisation, independent of party politics and working in partnership with other women's organisations, including the National Women's Alliances Equality Rights Alliance and economic Security 4 Women. These organisations include those committed to increasing support for women in Australia as well as those with a special interest in women's history.

NFAW has a track record of making submissions to inquiries that relate to the economic effect of policies on women, including Parliamentary Committee and Productivity Commission inquiries.

This document is based on work done by members of the Social Policy Committee in submissions to those inquiries, and in the Gender Budget document that has been prepared in response to the Federal Budget with additional material from eS4W and its member organisation FECCA. Relevant NFAW submissions are attached as appendices to this paper.

Components of the Retirement Income System

The Australian retirement income system is based on three pillars: the age pension; compulsory superannuation through the superannuation guarantee; and voluntary savings including additional superannuation. Housing is commonly referred to as the fourth pillar of retirement security. In this submission we will address each of these issues from a gender perspective.

NFAW believes the current system is sustainable from a fiscal perspective. Australia spends an average of 3.5% of GDP on age related spending compared to an OECD average of 7.8%.

There is, however, a need to address the issue of an ageing population from a gender equity viewpoint. The challenge is to make the retirement income system fairer and more flexible by targeting public support more clearly at people who need it and by improving incentives to save for the future. NFAW supports a systematic and comprehensive review of the Age Pension (AP), superannuation and asset taxation.

There is a major gap between the financial security of Australian men and women in later life. Women face a much greater risk of poverty. Of all the household types in Australia, elderly single women are at the greatest risk of persistent poverty, with over half living in poverty¹.

The retirement incomes system should be reformed to reflect the reality of women's lives, the impact on their retirement savings of their unpaid contributions to the national economy² and to improve their economic security in retirement.

Age Pension:

NFAW supports a strong age pension as the foundation of Australia's retirement income system.

¹ HILDA survey 2008

² eS4W 'Counting Care Work in Australia' <http://www.security4women.org.au/past-projects/2012-projects/the-australian-care-economy>

As set out in Appendix 1, in 2013 about half of Age Pensioner (AP) recipients transition from other income support payments.

Women are overrepresented among both AP recipients and other income support benefits, resulting in a high proportion of women on the AP, with 61% of women receiving the maximum rate.

Notably,

- 54% of female AP's and 76% of NewStart Allowance (NSA) recipients were single widowed or divorced compared to 30% of men;
- 31% of female NewStart Allowance recipients were aged 50+ years and in 2012, 62% of all single rent assistance (RA) recipients were women³.

The level of the AP in Australia is slightly below the OECD benchmark for poverty (50% of median income). It is currently approximately equal to the Association of Superannuation Funds of Australia (ASFA) modest retirement income figure⁴, although there have been significant increases in the pension over the last decade and increasing numbers of retirees receive superannuation as well as the pension.

It is worth noting that the ASFA standards assume that the retiree owns a home. The main group still suffering persistent poverty remain those who are fully reliant on the pension who are in private rental accommodation, whose after housing costs are much higher than those who own a home or are in public housing. These are overwhelmingly women, especially single women⁵.

The AP has a progressive impact on retirement incomes because it is paid at flat rates regardless of previous labour force status and is targeted through the application of income and assets tests. In contrast, superannuation provides greater support for people with higher lifetime earnings and limited support to people whose labour force attachment is weak.

Both the Harmer Review of Retirement Incomes and Australia's Future Tax System found the existing AP means test was complicated and inefficient, with the assets test singled out as a particular cause for concern. The Henry Tax Review and the Shephard National Committee of Audit recommended widening the existing deeming rules to replace the separate asset test with a comprehensive means test that deems income.

NFAW reviewed the changes to the AP asset test proposed in the 2015-16 Budget and found that they would deliver benefits to the lower end but would be hard on those with accumulated assets. The changes are piecemeal and could have significant behavioural effects.

Eligibility Age

For women with lower levels of education and incomes through their working lives, who have a disability or who care for family members, retirement is less likely to be voluntary⁶. They are much

³ DSS 2013 Irregular statistical publication

⁴ Clare, R, (2014) Spending patterns of older retirees: New ASFA Retirement Standard – September quarter 2014 ASFA <http://www.superannuation.asn.au/policy/reports> Retrieved September 2015

⁵ WHIN and WHGNE, Living Longer on Less (2013) <http://www.whin.org.au/projects/living-longer-on-less.html>

⁶ Productivity Commission, (2015) Superannuation Policy for Post Retirement <http://www.pc.gov.au/research/completed/superannuation-post-retirement>

less likely to be employed and very likely to rely on social security for all or most of their income before and after retirement. The AP eligibility age has the greatest impact on these women.

Further increases in the eligibility age make little sense for those with a limited capacity to continue to work, whether due to personal disability or caring responsibilities in respect of partners or aging relatives.

Before increasing the pension age, other income support payments, especially NSA, should be increased to an adequate level and the preservation age for superannuation should be linked to the AP eligibility age.

Recommendations:

- NFAW supports the retention of a strong Age Pension system, with maximum benefits paid at a level that is no lower than the ASFA modest retirement income standard.
- The age of eligibility for the Age Pension should remain unchanged.
- The rate of other allowances e.g. NewStart should be equalised with the Age Pension.

Superannuation:

There are several major causes of the gender superannuation gap. The main reasons are:

1. the gender pay gap, which sees most women earning less than men doing similar work;
2. the interrupted career paths of women and the impact on their career progression, a result of women taking time out of the workforce to care for children and other family members;
3. the over-representation of women in the casual and part-time workforce as women continue to juggle these unpaid care needs with their workforce participation
4. the design of the compulsory superannuation system which is based on the male, full time breadwinner model of workforce participation.

These causes are interrelated; but can stand alone: for example the gender pay gap can be seen from age 21, without reference to any career interruptions⁷.

ISA- Rice Warner modelling⁸ shows that the retirement system is especially failing single women, especially the design of the compulsory superannuation contributions system. Over two thirds of single women aged 55 to 69 will retire on incomes below a comfortable standard.

Notably the retirement income system grants substantial tax concessions to voluntary savings invested in superannuation, relative to other forms of savings.

Superannuation is an illiquid form of savings that can only be accessed on retirement or severe hardship, and many women prefer a more accessible form of savings that is available if needed quickly. This can be particularly important to single mothers, or women facing family violence who may have to flee a situation at short notice.

⁷ Workplace Gender Equality Agency (2015) Gender Pay Gap Statistics, September 2015, https://www.wgea.gov.au/sites/default/files/Gender_Pay_Gap_Factsheet.pdf accessed 17/09/2015

⁸ ISA Rice-Warner Nearly Half of Australians Will Not have a Comfortable Retirement. Industry Super Australia, June 2015

There is also a clear anomaly in the rate of tax paid by low income earners on their superannuation, which in many cases is higher than the marginal rate of tax paid on their taxable income. As discussed in the next section of this submission, this needs to be addressed.

The superannuation guarantee system can be regarded as a system of income deferral, under which a proportion of a person's employment earnings is deferred to retirement. When viewed in this way, clearly any factors that reduce a woman's employment earnings relative to her male counterpart will be reflected in her superannuation balance at retirement.

As the superannuation system matures, superannuation balances for both men and women are increasing. However the share held by women, which increased between 2005 and 2010, has not continued to grow since 2009-10.⁹

This is consistent with labour market data. Workforce participation data shows that women's seasonally adjusted workforce participation rates increased from 51.3% when the superannuation guarantee commenced in 1993 to 59% in March 2011, but has since stagnated, ranging between 58.3% and 59% in the four years to 2015¹⁰. Further, the gender pay gap¹¹ has been over 17% since 2010, spiking at 18.6% in November 2014 before dropping to 17.9% in August 2015¹².

Both of these labour market factors would contribute to the lack of improvement in the gender superannuation gap since 2010.

It is well established that women's labour market participation rates are highly elastic, and that high effective marginal rates of tax are a disincentive to women's participation in the labour market, particularly when combined with the cost of obtaining suitable care for children and other family members. This has a particular impact on retirement savings, where superannuation contributions are directly linked to employment earnings.

The current tax reform process raises the issue of effective marginal tax rates, however the current discussion paper does not discuss the transfer aspects of EMTR's. Secondary earners are particularly affected by the transfer system as the means testing applied to benefits available to parents, including family tax benefits and child care benefits can result in significant reductions in benefits that will be a significant factor in deciding whether to engage in paid work¹³.

There are two categories of policy proposals that can be applied to address the gender superannuation gap.

Support for Low Income Earners

Firstly there is a strong body of evidence that the current superannuation system is skewed to provide higher levels of subsidy to higher paid workers. Women are underrepresented among high

⁹ Clare, R. (2014). An Update on the Level and Distribution of Retirement Savings. Sydney, Association of Superannuation Funds of Australia.

¹⁰ ABS 6202.0

¹¹ Based on Adult Full Time Average Weekly Earnings

¹² ABS 6302

¹³ Hodgson, H. (2014). "Progressivity in the tax transfer system: Changes in family support from Whitlam to Howard and beyond." *eJournal of Tax Research* **12**(1): 218.

income earners as a result of the gender pay gap and the higher rates of casual and part time employment.

Women are more likely to be low paid employees- that is earning below, at, or just above the minimum wage. Research undertaken by Fair Work Australia utilising data from 2007 found that 51 per cent of low paid employees were women compared with 47 per cent of the total workforce.¹⁴

Migrant and refugee women experience the intersecting disadvantages of being from culturally and linguistically diverse (CALD) backgrounds and being women. For women from CALD backgrounds, this disadvantage is compounded. Women from CALD backgrounds are overrepresented in insecure employment fields that include industries such as manufacturing, accommodation, food services, cleaning and labouring. They are more likely to be employed on a casual basis and to be at a disadvantage negotiating terms of employment.

Almost one in three older Australians were born overseas. Over 1.35 million Australians aged 50 years and over were born in non-English speaking countries, which equates to almost 20% of all Australians aged 50 years and over.¹⁵ Many people from CALD backgrounds rely on the pension as they were on lower incomes during their working lives and will not have accumulated significant assets. Nearly 40% of age pension recipients were not born in Australia.¹⁶

Accordingly, any proposals that increase equity within the superannuation system to redistribute subsidies from high to lower income earners will assist many women.

There is a clear anomaly in the rate of tax paid by low income earners on their superannuation, which in many cases is higher than the marginal rate of tax paid on their taxable income. This needs to be addressed in some way.

One method of addressing this anomaly would be to move from a flat rate of tax on superannuation funds to taxing the fund at the member's marginal rate, less a tax offset to encourage saving. In the absence of a more comprehensive reform, the Low Income Superannuation Contribution, which is currently due to lapse in 2017, should be retained.

Alternatively, as ACOSS proposed in 2009¹⁷, a universal retirement income supplement could be introduced, paid as part of the AP. It would be substituted for tax concessions that mainly benefit high income earners.

Interrupted Workforce Participation

The second area where the gender superannuation gap should be addressed is through addressing the interrupted workforce patterns that most women experience. There are a number of

¹⁴ Nels L, Nicholson P, Wheatley T (2011), *Employees earning below the federal minimum wage: review of data, characteristics and potential explanatory factors* Minimum Wages and Research Branch, Fair Work Australia.

¹⁵ FECCA, (2015) 'Review of Australian Research on Older People from Culturally and Linguistically Diverse Backgrounds' (March 2015), 6.

¹⁶ Department of Social Services, (2013) 'Statistical Paper No 12 – Income Support Customers: A Statistical Overview 2013'

¹⁷ Australian Council of Social Service (2009). Progressive Tax Reform: Reform of the personal income tax system, ACOSS.

superannuation measures under the current regime that do not work well for workers with an interrupted career pattern.

It is common for new mothers to take some time out of paid employment, before returning in a part time capacity. The time out of paid employment or in part time employment will largely depend on the number and age of their children. This is of particular concern as it is the compounding effect of long term investments that contributes to an adequate superannuation balance at retirement. Some important strategies include:

Superannuation included in Paid Parental Leave

The original proposal that superannuation contributions should be paid on paid parental leave should be enacted. This should be a factor in both the government and private superannuation schemes. NFAW strongly supports a government subsidised paid parental leave scheme that is complementary to private PPL schemes.

We oppose any moves that would reduce access to the government scheme where an employer scheme exists, as this is likely to result in employers withdrawing from employer sponsored schemes, weakening the system overall. The NFAW submission to the Productivity Commission is attached as appendix 2 to this submission.

Carer Credits

We also support a system of carer credits that would allow a top up to superannuation if a person has withdrawn from the paid labour market due to caring responsibilities, as proposed by the Australian Human Rights Commission¹⁸. The LISC could be used as a mechanism to provide such a carer credit. Currently the LISC is only available if superannuation payments have been made into their superannuation account. It could be extended to also include a person who is either receiving a carer allowance or parenting payment, or is the parent of a child under 8 years, subject to the existing income restrictions.

Child Care

A further barrier to labour market participation is the child care system. Many mothers restrict their participation as they are unable to access appropriate and affordable childcare that would allow them to increase their working hours. NFAW welcomes proposals to reform the funding of the childcare sector however we are concerned by proposals that would reduce Family Tax Benefits paid to single parents and other low income earners. Refer to appendix 3 for the NFAW response to the Productivity Commission.

Rolling Contribution Caps

Women are returning to full time employment as their children reach an appropriate age, as seen in the increasing levels of workforce participation among older cohorts of women. Once a woman returns to the workforce there is an opportunity to increase contributions, and there is evidence

¹⁸ Australian Human Rights Commission (2013). Investing in Care: Recognising and valuing those who care, Volume 1: Research Report. Sydney, Australian Human Rights Commission,

that older women do make additional contributions through salary sacrifice arrangements¹⁹ however this is subject to the system of superannuation caps.

We support a review of the superannuation caps to allow women to increase contributions over their working life. NFAW has previously supported a system of rolling caps where a woman is not participating in the labour market due to caring responsibilities. We prefer a rolling cap to a lifetime cap, as this could result in other distortions of the labour market as it could encourage workers to meet their lifetime cap early and reduce labour market participation among older workers. The compounding effect of superannuation would also result in a higher final balance for workers able to contribute the lifetime cap early.

Facilitating Higher Employer Contributions

We would support initiatives that encourage employers to pay higher rates of superannuation to female employees: however such initiatives should not be imposed on female workers without consent as it could reduce their take-home income.

No Joint Superannuation Accounts

We understand that there is a proposal circulating that would allow superannuation accounts to be held in joint names by spouses. We do not support such proposals. There is ample literature showing that joint taxation systems are inefficient and discourage labour market participation by the secondary income earner in the relationship²⁰. Similar effects are likely to result from a joint superannuation account.

We note that under the current superannuation system spouses are able to transfer contributions to a spouse, and in the event of a separation, superannuation is an asset in the pool of matrimonial property that must be divided. Neither of these mechanisms is perfect, and NFAW has supported proposals that would facilitate the transfer of superannuation between spouses where one spouse is a carer. However any such proposal must be constructed in a way that limits any incentive to reduce workforce participation by the secondary income earner, and be limited to circumstances where the partner has restricted workforce participation due to caring responsibilities.

Recommendations:

- The superannuation system must be completely reviewed to limit the concessions currently received by Australians with higher balances in superannuation, who are predominantly male.
- The Low Income Superannuation Credit should not be repealed; or an alternative mechanism should be introduced.
- Carers in receipt of cares allowance or parenting payment, or with a child under 8 years, should also be eligible for the LISC or similar mechanism
- Paid Parental Leave entitlements should include superannuation

¹⁹ ABS (2007). 6361.0, Employment Arrangements, Retirement and Superannuation, Australia. Canberra, Australian Bureau of Statistics.

²⁰ Apps, P. (2007). "Taxation and Labour Supply." *Australian Tax Forum* 22(3): 89 - 116.

- Barriers to labour market participation, including child care and out of school care should be addressed but not by removing financial support from low income families
- The system of superannuation caps should be reviewed to take account of the female workforce participation cycle, either through rolling caps or a lifetime cap.
- Employers should be encouraged to offer increased superannuation support, including salary sacrifice arrangements, to female employees, as long as it does not impact take home wages.
- NFAW does NOT support proposals for joint superannuation accounts as it impacts on the efficiency of the labour market; however current mechanisms to share superannuation between spouses within marriage or on divorce should be strengthened and encouraged.

Housing

As pointed out above, social security recipients who rent privately face a particularly high risk of financial hardship. Three quarters of pensioners in extreme housing stress paying more than half their incomes in rent were older women²¹. NFAW believes the maximum rate of Commonwealth Rent Assistance (CRA) urgently needs to be increased and indexed to housing rents changes.

With changing demographics, the need for additional affordable housing to meet the needs of the disadvantaged and particularly vulnerable women is set to rise. Women make up the largest proportion of individuals and households facing low-socio economic status, and the absolute number of vulnerable women is projected to grow as the population ages and women live longer. The ABS 2011-12 Survey of Income and Housing reveals:²²

- More women (79%) than men (70%) aged 65 years and over and not in the labour force depended on government pensions and allowances as their main source of personal income.
- Significantly more female lone parents than male lone parents aged 15 years and over were living in low income households (42% compared to 27% respectively).
- While a similar proportion of females and males living in low income households were experiencing rental stress (38%), the increase from 29% in 2003-04 for female lone parents was significant but the increase for male lone parents, from 31% in 2003-04, was not significant.

Affordable and social housing is critical to meeting the needs of the vulnerable women. In 2011–12, social housing created a pathway out of homelessness for more than 13,000 households, and provided accommodation to 160,000 households with a member with disability.²³ The pressure on affordable and social housing is only set to rise.

Many other changes in the lives of women will impact on housing needs of women into the future. As AHURI reported, “Over the next 10 to 20 years then, Australia’s female population will not only

²¹ Welfare Rights Centre (NSW) and Shelter NSW: (2013) The impact of Rent Assistance on housing affordability for low-income renters: NSW http://www.welfarights.org.au/sites/default/files/news/rent%20assistance%20report_0.pdf

²² ABS, Gender Indicators February 2014. Available at:
[http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/4125.0~Feb%202014~Main%20Features~Latest%20Highlights%20\(Economic%20Security\)~10002](http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/4125.0~Feb%202014~Main%20Features~Latest%20Highlights%20(Economic%20Security)~10002)

²³ Australian Institute of Health and Welfare, Housing Assistance in 2013. Available at:
<http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=60129545051>

be much older, and also include significant populations of (older) Indigenous women and women from CALD backgrounds, as well as older women with disabilities, it will also include more women who have never married or had children, more women living in de facto relationships or remaining unpartnered for extended periods of time, more women who have had their first child in their 30s (or later still) and more women who are divorced or separated and who will not formally remarry.”²⁴The proportion of women experiencing multiple disadvantages will increase demand for housing support.

“Change in the housing stock is likely to raise additional challenges for women raising children as the growing proportion of households living in higher or medium density dwellings will mean that greater numbers of families will not have access to private open space and will instead rely upon public open space. Governments will need to ensure that the urban forms of our emerging higher density cities offer an environment that is safe for women and children, provides opportunity for supervised play and learning, and is not entirely dependent upon car-based transport. Clearly this represents a significant challenge for the planning of our cities. State and local governments, in consultation with the private sector, have an important role in leading the development of cities that are more ‘friendly’ to women and children.”²⁵Women also face particular insecurity in retirement, and will increasingly depend on the availability of affordable housing.²⁶

Addressing supply issues in affordable housing provides an opportunity to also prevent other housing related problems, such as financial stress or disconnection from family and/or employment. Housing also provides a firm foundation to deal with more complicated issues many disadvantaged people are facing. Having sufficient affordable housing to support effective programming models such as ‘housing first’ or other integrated models of care, will be critical to achieving positive outcomes for disadvantaged women facing housing stress.

The risk of renting

Past policies have privileged home ownership to the detriment of the third of all households who are renters. Rental housing must be placed on Australia’s national policy agenda as a key issue to address poverty. Access to affordable housing needs to be regarded in the same context as health and education as a means to escape from poverty. We need to get excitement into all levels of Government about affordable rental housing! We also need to establish an understanding of how housing insecurity and a lack of access to affordable housing have a different effect on women compared to men.”²⁷

Work by Professor Judith Yates has found that “women in private rental carry a significant burden of rental stress. The impact of the lack of affordable housing is felt disproportionately by women

²⁴AHURI, *Too Big to Ignore Report – Future Issues for Australian Womens Housing 2006-2025*. Available at: <http://www.nfaw.org/wp-content/uploads/2012/06/AHURI-Too-Big-To-Ignore-Report-Future-Issue-for-Australian-Womens-Housing-2006-2025.pdf>

²⁵Ibid, AHURI

²⁶Ross Claire, ASFA 2011, *Developments in the level and Distribution of retirements saving*; Available here: <http://www.superannuation.asn.au/policy/reports/>

²⁷NFAW, National Strategy for Affordable Rental Housing, Conference summary: Equality Rights Alliance, ES4W, National Foundation for Australian Women and National Rural Women's Coalition. <http://www.nfaw.org/wp-content/uploads/2012/06/A-National-Strategy-for-Affordable-Rental-Housing.pdf>

because of the higher number of women in low paid jobs, women heading single parent families and the higher rates of poverty among older women living alone.”²⁸

Public housing saves many low income older women from housing poverty as well as income poverty. The prospect of increasing numbers of older women facing income and housing poverty means further investment to increase the supply of public and affordable housing is required.

Older women

A further consideration and challenge is meeting the needs of older women and men. While Commonwealth aged care policy has more recently emphasised ageing in place, this is not an adequate response or solution when so many older people do not have any secure and/or suitable housing in which they can age. This focus has arguably led to a neglect of the range of alternative options such as forms of congregate housing, boarding houses, and retirement villages. A particular gap that has emerged as a result of policy changes is the failure to provide any alternatives for the accommodation role of former hostels; the role of these facilities has seen increasing emphasis on care of more disabled residents, and most of the decline of 15 places per 1000 population aged 70 and over has been associated with a squeezing out of hostel places. This is not to argue for an increase in residential aged care places but for attention to alternative forms of housing with close integration with community care services.

Older people, with distinctive characteristics, make up a substantial part of Australia’s homeless population. The age profile and living circumstances of increasing numbers of older people across all parts of Australia suggest a multifaceted social problem. This is of particular concern given the changes in Australia’s demography.

A range of agencies have successfully developed and operated housing and integrated services for financially disadvantaged older people, including those with complex health needs in both the community and public sectors. Only a small number of agencies provide specialised and innovative housing models for these groups, and there remains a need for further investment. Outreach, as conducted by Assistance with Care and Housing for the Aged program, is a highly cost effective model to prevent homelessness and quickly house older people at high risk of homelessness. The flexible model with a person centred focus works successfully with older people in crisis. It remains however a very small program and is absent in large parts of Australia. ACHA needs to be expanded in scale and in geographic coverage.

The success of outreach with older people rests on the availability of affordable accessible housing to enable older people to age in place. Not only have Australian public and community housing providers operated innovative service integrated housing for financially disadvantaged people, but the private sector makes provision across the full market spectrum. These models can be drawn on and developed to reduce late life homelessness in Australia”²⁹ It is important to note, however, that such models of care are a specialised field and it is preferable to have a small number of agencies do this work very well, rather than a large number trying and failing.

²⁸Ibid, NFAW

<http://www.nfaw.org/wp-content/uploads/2012/06/A-National-Strategy-for-Affordable-Rental-Housing.pdf>

²⁹University of Queensland, Institute for Social Science Research, *Addressing later life homelessness, Report of the National Homelessness Research Partnership with FAHCSIA*. June 2013

Many older people receiving rental assistance live in private boarding houses. There are also rental retirement villages that enable those with low assets to buy in. Some of these providers would be candidates as private sector partners in NRAS, a program that requires ongoing support.

When aging in place is no longer an option, the cost of aged care is a particular concern to older women, particularly those who do not have housing or other assets that can be realised to pay a contribution. The latest figures from the Aged Care Funding Authority show that around 90% of the funding for residential care is from government, with care subsidies accounting for 66% of this and Government contributions to accommodation deposits accounting for 9%. Contributions from residents is a small component of the total cost of aged care: the Basic Daily Care Fee which accounts for 19% of total funding is contributed from the age pension, and means tested care fees account for a further 4%.

Recommendations:

- Continuing and increasing public and private investment in affordable housing, including through the expansion of the National Rental Affordability Scheme (NRAS);
- Ensuring that vulnerable women have access to secure, appropriate, affordable and adaptable accommodation, through increasing the supply of affordable housing, funding of emergency services and homelessness prevention programs, and adequate support for renters, as a growing proportion of the housing market;
- Identifying innovative approaches to addressing housing supply issues including options that support or enable superannuation funds to invest in affordable housing.
- Reforming the current taxation arrangements related to housing which provide significant support to private investors, and which do not meet current or future needs, while public investment in affordable housing declines.
- Establishing a long-term, national affordable housing plan, including improved coordination across the Commonwealth, state and territory governments, stream-lined planning processes, and making affordable housing a requirement for all developments.
- Directing a proportion of the savings from superannuation reform into increased funding for residential aged care.

Attachments

Appendix 1: Submission to Re:Think Discussion Paper; March 2015 and

Appendix 2: Supplementary Submission to Rethink Discussion Paper; July 2015

Appendix 3: Final Submission to Productivity Commission Review of Childcare and Early Childhood; September 2014

Appendix 4: Submission to the Senate Standing Committee on Community Affairs Inquiry into the Fairer Paid Parental Leave Amendment Bill 2015; July 2015

Appendix 5: Submission to the Senate Standing Committee on Economics Inquiry into Affordable Housing; March 2014