

Statement

A new start impossible for many older Australian women

15 October 2019

After a lifetime of unpaid caring responsibilities, interrupted employment, pay inequities, low superannuation and delayed access to the Age Pension, an increasing number of Australian women are retiring into poverty.

Stella Avramopoulos, CEO Good Shepherd Australia New Zealand says this is unacceptable. “We cannot let this become the new normal for women.”

Newstart is one of the biggest poverty traps for older women as they struggle to get a job and survive until they can receive the Age Pension.

“It is critical that the government raises the Newstart rate immediately to lift people out of significant and unnecessary hardship.”

There are more than 173,000 older people on Newstart compared to 62,500 people aged 21-24 years. People aged 55-64 stay on this form of income support for approximately 188 weeks while people under 25 are on this income for 46 weeks.

“Many women are in a poor financial position when they reach retirement age. In general, their poverty will have accumulated over a lifetime and their superannuation balances will be nearly 40 per cent lower than men’s.

“We welcome the federal government’s review of Australia’s retirement income system and urge them to make women’s financial security a key feature of the review.

“When Treasurer Josh Frydenberg announced the review last month he said ‘our focus is putting more money into the pockets of retired Australians’. To that end, we ask the government to develop a national action plan to increase financial security for women across all stages of their life.

“This includes factoring unpaid care work into calculations for social security payments, paying super on paid on parental leave, increasing the Newstart Allowance, and making more secure and affordable housing available to low and middle income earners.

“This is a reasonable ask. It is entirely *unreasonable* that women are disadvantaged across the span of their working lives and are increasingly ending their days in poverty. This is urgent and the government must act now.”

ENDS.

