

3 Blackwood Court
NUNAWADING VIC 3131

17 June 2004

Senator George Brandis
Senate Standing Committee on Economics
Parliament House
CANBERRA ACT 2600

Dear Senator Brandis

**INQUIRY SUBMISSION -
SUPERANNUATION LAWS AMENDMENT (2004 MEASURES NO. 1) BILL 2004**

I am writing in response to your Committee's invitation to make a submission in relation to the *Superannuation Laws Amendment (2004 Measures No. 1) Bill 2004*. I refer specifically to the proposal in the Bill to amend Section 6(1)(b) of the *Superannuation (Government Co-Contribution for Low Income Earners) Act* which changes the test for eligibility to receive a Government Superannuation Co-Contribution to require that an individual have 10% or more of his/her total income attributable to employment.

Whilst this change would extend eligibility to more low-income people than is currently the case, it would still leave a large section of the low-income community ineligible.

A person who has elected to be a full-time parent, and is currently earning no employment income, would not be eligible to receive the Co-Contribution. This is the case under both the current and proposed Section 6(1)(b). I submit that it is just as important for these people who are temporarily out of the workforce to maintain their superannuation contributions, and accordingly should be able to access the Co-Contribution incentive.

I ask that the Committee consider amendments to the Bill that would extend the superannuation Co-Contribution even further to offer this incentive to full-time parents who are not currently earning any employment income.

Yours sincerely

BRETT ARANDALL