Women and super

July 2024

Despite participating in the workforce more than ever, when it comes to super savings, most women still have less than men.

The challenge

Many women face challenges when trying to save for their retirement.

For a whole host of reasons, women are generally paid less than men and they are more likely to have career breaks to raise children and care for family, leaving them with significantly less saved for their future.

Given that women also have a longer life expectancy than men and actually need more money in retirement, this is particularly worrying.

Retiring with a lower super balance can leave you with a reliance on the Government Age Pension, a lower quality of life and less independence.

Taking time out of the workforce

Women who take time out of the workforce may be worse off by up to $85,000[1] by the time they reach retirement age. This is because while they aren't working, they probably also aren't having contributions paid into their account. For mothers who take several years off they can be considerably worse off. Women can make small extra contributions to their superannuation to try and reduce this gap.

The difference 1% can make

A 30 year old who earns $50,000 a year and contributes an extra 1% of salary after tax to super until age 65 will likely have an additional $58,000[2] in their super.

Get started now and close the gap

Here are a few ways you can start closing the gap.

1. Take control of your super

If you have more than one super account, you can avoid paying multiple fees by consolidating them into one super fund. We can search for any extra accounts you may have and help you transfer them into your Prime Super account, saving you time and paperwork. Login to MemberOnline or call us on 1800 675 839.

2. Ask your boss to pay part of your pre-tax salary into your super

Also known as salary sacrificing, this can be a tax-effective way to grow your super if you earn more than $45,000 per year. Because of the pre-tax benefits, you could be better off at tax time and save more money in the long run. You can contribute up to $30,000 per year before tax - but this also includes all contributions your employer pays such as your 11.5% super guarantee.

3. Make your own after-tax super contributions

Non-concessional contributions are not subject to the 15% contributions tax that can apply to other types of contributions. Depending on your annual income, you may also be eligible for up to $500 co-contribution from the government. It's an easy way to give your super a valuable boost.

[1] superguru.com.au/about-super/women-and-super

[2] This is assumes a 7% net investment return, ASIC's standard inflation assumption of 2.5% and pay rises the same as inflation. Fees were not considered.

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4. Ask your partner to make contributions on your behalf

Your partner may be able to claim a tax offset on the contributions made to your fund. This is also known as a Spouse Contribution.

5. Get financial advice

We have experts who are ready to help guide your financial future. Get in touch for advice around your super, insurance, personal investments and overall wealth planning.

Find out more

We're committed to helping you grow, manage and protect your wealth and retirement income. If you have any questions about women and super please see:

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