

# Superannuation account balances by age and gender

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## Executive summary

Data on both average superannuation account balances and the distribution of balances across the population has recently become available with release of data from the Australian Bureau of Statistics Survey of Income and Housing.

The data indicate that the superannuation system is strongly delivering in the form of increasing superannuation account balances across the community. In addition to the overall pie getting bigger, groups such as women are getting a bigger slice of the benefits as a result of policy changes and other factors.

While some retirees will continue to rely substantially on the Age Pension, increasing superannuation balances at the time of retirement are substantially boosting the living standards of retirees.

### Average account balances

Account balances grew strongly over the two years to 2015-16.

Average balances achieved in 2015-16 for all persons aged 15 and over were \$111,853 for men and \$68,499 for women.

These figures are well up on the equivalent figures for two years' earlier, particularly for women. Average balances achieved in 2013-14 for all persons aged 15 and over were \$98,535 for men and \$54,916 for women. Averages in 2011-12 were even lower at \$82,615 for men and \$44,866 for women.

The disparity between the average balances of men and women decreased over the two years to 2015-16.

Balances grew because of continued contributions and positive investment earnings. For only those with superannuation (excluding persons with a nil balance), the average balance for males was around \$153,000 while for females it was around \$102,000.

### Superannuation balances of younger Australians

- For individuals aged 30 to 34 in 2015-16 average balances were around \$43,580 for men and \$33,750 for women.
- These averages are well up on the averages in 2013-14 of around \$36,400 for men and \$25,550 for women. The average increase over the two years for this age group was nearly 20 per cent for men 32 per cent for women.

## Superannuation balances at retirement

- Average superannuation balances at the time of retirement (assumed to be age 60 to 64) in 2015-16 were \$270,710 for men and \$157,050 for women.
- These averages show mixed developments in superannuation balances at the time of retirement. In 2013-14 there were averages of \$292,500 for men and \$138,150 for women. Further contributions and investment earnings would have added to balances, but tighter contribution caps also would have had an effect over the period, which would explain at least part of the fall in the average figure for men.
- Many recent retirees will need to substantially rely on the Age Pension in their retirement.
- Medians (the amount at which 50 per cent of the population surveyed have less than the amount) are somewhat lower for those aged 60-64, with a median of \$110,000 for men and \$36,000 for women.
- These various figures are well up on even just two years earlier, reflecting the growing maturity of the system. However, they fall well short of the \$545,000 needed for a comfortable retirement (according to the ASFA Retirement Standard) for a single person.
- Both average balances and the proportion of retirees with superannuation will rise in the future as the compulsory superannuation system matures and as the rate of compulsory contributions rises to 12 per cent of wages. In particular, generations of women with more time in the paid labour force than their mothers and grandmothers will move through the system.
- The average total superannuation balance in 2015-16 for a household headed by a person aged 60 to 64 was around \$337,100 with a median value of \$154,950.

## The distribution of superannuation balances

- Between 2005-06 and 2015-16 there were substantial improvements in the coverage of superannuation in the community with a smaller proportion of persons with no superannuation and an increase in the incidence of more substantial superannuation balances.
- Around 27.0 per cent of males reported nil superannuation in 2015-16, and 32.7 per cent of women with no superannuation. The figure for males is not much changed from two years earlier with the figure for females down slightly. Around 45 per cent of females aged 65 to 69 reported having no superannuation.
- The percentage of males with more than \$100,000 in superannuation increased from 21.5 per cent two years earlier to 25.8 per cent, while for females the percentage increased from 12.8 per cent to 16.4 per cent.

## Shares of total superannuation by age and gender

Given that the incidence of superannuation is higher for men and their account balances are on average higher, men held 61.2 per cent of total account balances in 2015-16 compared to around 38.7 per cent for women. The share held by women increased by a substantial two percentage points compared to two years earlier. While on the face of it this still remains a very substantial disparity, it amounts to a very substantial improvement on the estimated share for women in 1994 of 23 per cent.

The percentage share figures also clearly demonstrate both the build-up of superannuation assets with increasing age but also cohort effects with older Australians (those aged over 75) having relatively little superannuation on average. The age group 60 to 64 appears to be the one where holdings of superannuation peak.

While the 9.1 per cent of the population aged 25 to 29 have just 2 per cent of total superannuation assets, the 7.6 per cent of the population aged 55 to 59 hold around 15.5 per cent of superannuation assets. Around 58 per cent of total superannuation assets are held by those aged between 50 and 69.

## Difference in superannuation balances of men and women

The various data indicate that on average men are more likely both to have superannuation and to have a higher account balance. There are a number of reasons for this, including women having more time out of the paid labour force for family and other reasons and women more likely to be employed in part-time and/or lower paid occupations.

The data appear to indicate that the share of superannuation assets held by women has grown significantly over the two years to 2015-16 after a pause in the growth of the share over the preceding four years.

ASFA has also recommended a number of policy changes that would further improve superannuation outcomes for both for women and men. These include:

- Abolition of the \$450 a month threshold for payment of Superannuation Guarantee contributions.
- Payment of superannuation contributions linked to paid parental leave.
- Providing an ability for individuals to make catchup contributions when their account balance is low.
- Increasing the rate of the Superannuation Guarantee to 12 per cent as soon as possible.

# How are retirement savings tracking?

## Background

A perennial question for individuals and policymakers is whether retirement savings are on track.

If superannuation balances at the time of retirement and in the years prior to retirement are still at modest, albeit growing, levels the case of moving the Superannuation Guarantee to 12 per cent is all the stronger.

Data from the ABS Survey of Household Income and Wealth which have been specially compiled for ASFA by the ABS allow for an updating of information on the incidence of superannuation in the community and on the distribution of superannuation assets between individuals.

Wealth information (including for superannuation) is available from the 2003-04, 2005-06, 2009-10, 2011-12 and 2013-14 releases and is now available for 2015-16. A paper on the superannuation data from the 2013-14 survey, dated December 2015, is available from the ASFA website.

## Introduction

Many people will still retire with inadequate superannuation savings to fund the lifestyle they want in retirement. However, average superannuation balances in Australia can be expected to continue to grow for many years as the private retirement income system matures.

The Australian compulsory superannuation system is still relatively immature in the sense that many individuals have had superannuation coverage only since the commencement of industrial award based superannuation in the late 1980s and the introduction of the Superannuation Guarantee in 1992. The Superannuation Guarantee (SG) reached the rate of 9 per cent in only 2002. A phased increase in the rate to 12 per cent has commenced and in 2015-16 the rate was 9.5 per cent. It is currently legislated to increase to 12 per cent but it is paused at 9.5 per cent until 2021.

Given that the system is still maturing in terms of reaching the proposed long term rate of contributions and many Australians having received compulsory contributions for not much more than 20 years, the majority of adult Australians still have relatively modest levels of superannuation:

- The gender gap is closing, but women still lag substantially when it comes to average account balances at all ages.
- Even young people entering the workforce today, many of whom will receive the full benefit of the increase in the Superannuation Guarantee to 12 per cent, still need to contribute over and above compulsory contributions to their superannuation to ensure they have adequate retirement savings.
- Most people retiring in the next few years will rely partially or substantially on the Age Pension for some or all of their retirement as they have inadequate super savings.
- There is still a significant proportion of the population who do not have any superannuation, with around 1 in 4 men and 1 in 3 women reporting they have no superannuation savings.

It will be another 30 years or more before most individuals will have the full benefit of a mature SG system. Even then, a small but significant minority of retirees, principally those who have had little or no paid labour force experience since 1992 or who have cashed out their super benefit, will have no superannuation at all.

## The impact of recent investment returns

While there has been volatility from year to year in investment returns for the average superannuation accounts, the investment return over a number of years has been substantial. This has contributed to the increase in balances.

There were positive investment returns on average in the two years from 2013-14 when the previous balances were recorded by the ABS. According to estimates prepared for Superfunds magazine by Morningstar, average returns were 9.9 per cent in 2014-15 and 3.1 per cent in 2015-16. While not reflected in the balance figures in this paper, average investment returns were 10.4 per cent in 2016-17.

Over the five years to 30 June 2016 the average investment return for typical default investment options was 8.4 per cent and 7.1 per cent over the twenty years to 30 June 2016.

As many superannuation fund members may still remember, the Global Financial Crisis (GFC) had an impact on the retirement savings of many Australians, at least for a time. The GFC is generally regarded as having run its course by the end of 2008 or the first half of 2009. The negative investment returns on average in 2007-08 and 2008-09 now no longer impact on the 5 year average figures.

## Average account balances

Account balances grew strongly over the two years to 2015-16, particularly for women. Balances grew largely because of continued contributions and positive investment earnings.

Average balances in 2015-16 for all persons aged 15 and over were \$111,853 for men and \$68,499 for women. These compare to average balances in 2013-14 of \$98,535 for men and \$54,916 for women. Averages in 2011-12 were even lower at \$82,615 for men and \$44,866 for women.

For only those with superannuation (excluding persons with a nil balance), the average balance for males was around \$153,000 while for females it was around \$102,000.

Table 1 provides further details of average balances in 2015-16 by age and gender.



**Table 1: Average superannuation balance by age and gender, 2015-16**

<b>Mean superannuation balance (\$)</b>	
<b>Male</b>	
15 to 19 years	382
20 to 24 years	5,924
25 to 29 years	23,712
30 to 34 years	43,583
35 to 39 years	64,590
40 to 44 years	99,959
45 to 49 years	145,076
50 to 54 years	172,126
55 to 59 years	237,022
60 to 64 years	270,710
65 to 69 years	246,915
70 to 74 years	214,030
75 to 79 years	102,647
80 to 84 years	*58,827
85 years and over	*15,778
<b>Total</b>	<b>111,853</b>
<b>Female</b>	
15 to 19 years	*594
20 to 24 years	5,022
25 to 29 years	19,107
30 to 34 years	33,748
35 to 39 years	48,874
40 to 44 years	61,922
45 to 49 years	87,543
50 to 54 years	99,520
55 to 59 years	123,642
60 to 64 years	157,049
65 to 69 years	171,227
70 to 74 years	109,831
75 to 79 years	51,880
80 to 84 years	31,372
85 years and over	*13,038
<b>Total</b>	<b>68,499</b>
* estimate has a relative standard error of 25% to 50% and should be used with caution	

**Table 1: Average superannuation balance by age and gender, 2015-16**

<b>Mean superannuation balance (\$)</b>	
<b>Persons</b>	
15 to 19 years	485
20 to 24 years	5,501
25 to 29 years	21,372
30 to 34 years	38,386
35 to 39 years	56,715
40 to 44 years	80,899
45 to 49 years	114,616
50 to 54 years	135,290
55 to 59 years	180,689
60 to 64 years	214,897
65 to 69 years	207,105
70 to 74 years	161,974
75 to 79 years	76,049
80 to 84 years	42,912
85 years and over	*14,374
<b>Total</b>	<b>89,927</b>
* estimate has a relative standard error of 25% to 50% and should be used with caution	

Source: Survey of Income and Housing, Australia, 2015-16, Australian Bureau of Statistics

For both men and women the average balance increases steadily by age group up until about age 60 when average balances start to decrease. The decrease is due to both individuals starting to draw down on their superannuation and larger proportions of older age cohorts, particularly women, not ever having had superannuation.

The figures in the table are averages and distributions for all persons in the various age groups. Medians (the point where 50 per cent of those surveyed have a balance above the amount and 50 per cent below) are considerably below the average figures given that a significant proportion of each age group has nil or little superannuation (Table 2). For instance, the median for all males is \$25,000 compared to an average (mean) of \$111,853 as indicated in Table 1.

**Table 2: Median balance by age and gender, 2015-16**

<b>Male</b>	
15 to 19 years	0
20 to 24 years	2,000
25 to 29 years	15,000
30 to 34 years	30,000
35 to 39 years	50,000
40 to 44 years	70,000
45 to 49 years	90,000
50 to 54 years	99,000
55 to 59 years	115,000
60 to 64 years	110,000
65 to 69 years	*32,284
70 to 74 years	0
75 to 79 years	0
80 to 84 years	0
85 years and over	0
<b>Total</b>	<b>25,000</b>
<b>Female</b>	
15 to 19 years	0
20 to 24 years	2,000
25 to 29 years	11,000
30 to 34 years	23,396
35 to 39 years	32,792
40 to 44 years	35,000
45 to 49 years	41,898
50 to 54 years	45,000
55 to 59 years	50,000
60 to 64 years	36,003
65 to 69 years	**9,923
70 to 74 years	0
75 to 79 years	0
80 to 84 years	0
85 years and over	0
<b>Total</b>	<b>10,700</b>
* estimate has a relative standard error of 25% to 50% and should be used with caution	
** estimate has a relative standard error greater than 50% and is considered too unreliable for general use	

**Table 2: Median balance by age and gender, 2015-16**

<b>Persons</b>	
15 to 19 years	0
20 to 24 years	2,000
25 to 29 years	13,799
30 to 34 years	27,000
35 to 39 years	40,000
40 to 44 years	50,000
45 to 49 years	63,997
50 to 54 years	66,677
55 to 59 years	77,795
60 to 64 years	68,000
65 to 69 years	*20,000
70 to 74 years	0
75 to 79 years	0
80 to 84 years	0
85 years and over	0
<b>Total</b>	<b>17,000</b>
* estimate has a relative standard error of 25% to 50% and should be used with caution	
** estimate has a relative standard error greater than 50% and is considered too unreliable for general use	

Source: Survey of Income and Housing, Australia, 2015-16, Australian Bureau of Statistics

These median figures are strongly affected by the percentage of the population with no superannuation.

Around 27.0 per cent of males reported nil superannuation in 2015-16, and 32.7 per cent of women with no superannuation. The figure for males is not much changed from two years earlier with the figure for females down slightly.

Around 45 per cent of females aged 65 to 69 reported having no superannuation. The fact that a very substantial minority of that group had no superannuation would be a result of some in the age group never having had super, while others would have had superannuation at some stage but had taken their benefit from the superannuation system.

## Superannuation balances of younger Australians

There is a clear relationship between age and average superannuation balance, at least up until retirement. The more years an individual has of contributions and investment earnings the higher their account balance.

Disparities between men and women in average balances begin to emerge at relatively early ages. For instance, for those aged 30 to 34 in 2015-16 average balances were around \$43,580 for men and \$33,750 for women.

A lower wage and/or career breaks will lead to a lower balance at retirement. For instance, 5 years out of the paid labour force for a person on average earnings during their early 30s will reduce the eventual retirement account balance by over \$80,000 in today's dollars.

## Superannuation balances at retirement

The average balance for those aged 60 to 64 is a reasonable proxy for average retirement payouts given that most individuals retire at or around their early 60s. Average superannuation balances at the time of retirement (assumed to be age 60 to 64) in 2015-16 were \$270,710 for men and \$157,050 for women. In 2013-14 average balances for this age group were \$292,510 for men and \$138,154 for women. Further contributions and investment earnings would have added to balances, but tighter contribution caps also would have had an effect over the period, which would explain at least part of the fall in the average figure for men.

However, these average figures for 2015-16 are considerably higher than those which applied in 2011-12 of the order of \$197,000 for men and only \$105,000 for women.

Median figures (where 50 per cent have more than the figure and 50 per cent have less) are considerably lower than the average (mean) figures. In 2015-16 the median figure for men aged 60 to 64 was \$110,000 while for women it was only \$36,000. For households, the equivalent figures are \$200,000 for households where the reference person is a man, and \$95,000 where the reference person is a woman.

These figures are well up on even just two years earlier, reflecting the growing maturity of the system. However, they fall well short of the \$545,000 needed for a comfortable retirement (according to the ASFA Retirement Standard) for a single person.

It is clear that most recent retirees will need to substantially rely on the Age Pension in their retirement. That said, superannuation account balances already are sufficient to deliver a significant increase in living standards in retirement for most recent retirees.

Average balances will rise even more in the future as the compulsory superannuation system matures. In particular, cohorts of women with more paid labour force experience than their mothers and grandmothers will move through the system. These effects are already starting to show up in the data. However, early retirement, retrenchment and withdrawal from the paid labour force for family and other reasons also will have an impact.

## Distribution of super balances by household and by state or territory

Most retirees are in households made up of more than one person, but a significant minority of retirees are single, divorced or widowed persons. However, around two-thirds of those aged 65 and over are in a couple household. While the rate of divorce has increased, many people who divorce remarry and with men living longer on average there are fewer widows.

As indicated by Table 3, average balances per household are less than the total of the average superannuation held by both a male and a female in the same age group as the reference person for a household. Very often there will be a secondary income earner in a couple who has a lower income and lower superannuation balance than their partner or their age group more generally.

The average total superannuation balance for a household headed by a person aged 60 to 64 was \$337,100. The balance at age 60 to 64 generally can be taken as a proxy for what the average amount of superannuation for a household is at retirement but it should also be noted that many households have a mixture of generations, with the superannuation of a 30 year old child not available to their 62 year old parent.

The differences between the various States and Territories in average balances per household reflect a range of demographic and economic factors. In the Australian Capital Territory the impact of more generous public sector superannuation schemes can be seen. Average wages in the Australian Capital Territory are higher than elsewhere, which also boosts superannuation entitlements. The lowest average balances for households are in Tasmania and South Australia.

**Table 3: Average balance for households, 2015-16**

	State or territory								Australia
	NSW	VIC	QLD	SA	WA	TAS	NT(a)	ACT	
Mean superannuation balance (\$)									
<b>Male</b>									
15 to 19 years	**4,057	**9,669	**6,802	*707	0	**777	0	0	*5,738
20 to 24 years	35441	*10,827	33,727	*13,978	19,011	19,743	**17,023	*11,092	*24,800
25 to 29 years	64268	40,139	58,346	38,528	38,055	40,081	59,637	*80,989	50,693
30 to 34 years	89367	53,444	87,986	75,279	81,751	63,123	74,588	116,498	78,287
35 to 39 years	91295	100,743	133,969	88,046	144,462	114,849	*102,502	191,803	110,154
40 to 44 years	155113	146,635	168,652	150,679	148,101	149,071	*120,776	204,712	156,913
45 to 49 years	243888	212,892	227,897	256,561	198,510	176,585	176,694	306,785	227,773
50 to 54 years	225542	263,209	228,418	232,291	236,796	229,771	*227,057	487,215	239,819
55 to 59 years	368949	339,448	288,738	270,905	353,743	198,898	*281,872	569,758	340,675
60 to 64 years	433144	436,588	373,168	342,401	340,030	197,934	370,349	487,985	403,287
65 to 69 years	397298	463,733	526,492	279,858	*543,052	258,065	**180,988	517,060	441,620
70 to 74 years	371963	475,961	*461,478	265,517	188,197	132,469	*1,152,055	*321,168	367,604
75 to 79 years	167609	*224,729	212,064	*206,832	*163,411	**40,226	**25,697	*507,546	197,099
80 to 84 years	127652	**67,949	*123,199	*73,191	**63,748	**10,694	**20,029	**100,668	*102,280
85 years and over	18743	*74,758	**8,644	**123,042	*96,771	**17,361	0	**21,738	*45,563
<b>Total</b>	<b>225,813</b>	<b>223,321</b>	<b>220,273</b>	<b>188,360</b>	<b>208,490</b>	<b>144,784</b>	<b>195,025</b>	<b>300,639</b>	<b>*217,871</b>
* estimate has a relative standard error of 25% to 50% and should be used with caution									
** estimate has a relative standard error greater than 50% and is considered too unreliable for general use									
(a) Households in SA1s defined as Very Remote were excluded, accounting for about 23% of the population of NT									

**Table 3: Average balance for households, 2015-16**

	State or territory								
	NSW	VIC	QLD	SA	WA	TAS	NT(a)	ACT	Australia
	Mean superannuation balance (\$)								
<b>Female</b>									
15 to 19 years	0	**14	**2,895	**2,131	0	0	0	0	**1,945
20 to 24 years	*12,953	*9,875	33,321	*9,683	*13,901	*9,076	**28,512	**12,330	15,825
25 to 29 years	40,859	37,708	44,016	*53,959	42,694	47,073	*79,758	48,625	41,613
30 to 34 years	79,495	59,290	84,313	55,848	52,641	54,050	*64,244	104,284	70,213
35 to 39 years	91,197	102,957	98,059	73,182	72,862	77,469	*99,755	205,097	92,692
40 to 44 years	141,542	117,149	129,787	135,845	80,944	84,653	**60,355	150,153	124,540
45 to 49 years	213,650	129,056	178,534	117,152	148,685	142,190	*137,771	439,719	169,371
50 to 54 years	198,212	200,391	200,215	*193,440	126,058	163,959	*187,341	*307,193	196,068
55 to 59 years	282,346	272,665	250,054	145,863	*388,394	219,280	*252,023	*529,487	275,405
60 to 64 years	200,470	278,488	*246,050	212,927	*272,878	194,548	*315,951	*240,919	245,301
65 to 69 years	274,804	270,729	208,094	*194,111	*163,765	148,290	**241,405	*207,101	238,392
70 to 74 years	*183,467	146,540	*185,348	*81,984	*196,635	*65,327	**43,337	*153,646	169,203
75 to 79 years	*101,341	**43,200	*65,170	*44,196	*86,654	*19,609	**6,201	**289,508	73,424
80 to 84 years	*25,987	*29,250	*57,635	*42,586	**38,133	*47,017	**92,416	**12,160	33,955
85 years and over	**50,518	**19,251	**7,387	**33,734	*27,347	**7,129	**67,045	**6,660	*33,904
<b>Total</b>	<b>155,324</b>	<b>141,441</b>	<b>144,762</b>	<b>113,911</b>	<b>137,069</b>	<b>110,026</b>	<b>149,148</b>	<b>219,426</b>	<b>144,954</b>
<b>Persons</b>									
15 to 19 years	**2,401	**4,794	*5,613	**1,719	0	**294	0	0	*3,981
20 to 24 years	**22,244	*10,745	34,053	12,809	15,614	14,183	**18,616	*12,434	22,452
25 to 29 years	52,537	39,520	52,123	42,000	40,251	42,166	67,617	69,596	47,127
30 to 34 years	87,450	55,574	87,312	69,589	73,260	59,697	74,152	108,232	75,548
35 to 39 years	91,795	101,024	118,519	82,506	122,755	97,663	100,111	192,548	104,182
40 to 44 years	148,319	136,163	156,935	143,345	128,265	123,894	*103,572	184,009	146,044
45 to 49 years	224,451	181,634	207,357	197,787	179,246	158,920	157,883	372,883	204,114
50 to 54 years	217,662	232,701	224,396	215,453	202,766	211,531	211,735	432,117	223,871
55 to 59 years	331,954	317,611	275,813	221,358	367,704	204,267	272,799	527,662	315,365
60 to 64 years	343,163	364,576	327,782	280,799	319,647	193,639	338,160	376,317	337,122
65 to 69 years	349,388	363,447	389,432	251,226	396,125	206,178	*209,910	407,518	357,114
70 to 74 years	304,057	329,711	*355,753	199,310	201,156	99,728	*667,167	258,917	282,582
75 to 79 years	*127,324	*147,549	137,402	*124,318	119,590	*30,275	**10,366	*368,966	137,180
80 to 84 years	*72,728	**41,415	*88,310	*51,584	**58,115	*32,759	**50,776	**48,440	65,075
85 years and over	*37,115	*45,067	**8,236	**61,826	*62,471	**10,849	**44,223	**10,570	38,633
<b>Total</b>	<b>197,704</b>	<b>188,507</b>	<b>191,609</b>	<b>158,558</b>	<b>181,486</b>	<b>129,291</b>	<b>178,177</b>	<b>263,606</b>	<b>188,351</b>
* estimate has a relative standard error of 25% to 50% and should be used with caution									
** estimate has a relative standard error greater than 50% and is considered too unreliable for general use									
(a) Households in SA1s defined as Very Remote were excluded, accounting for about 23% of the population of NT									

Source: Survey of Income and Housing, Australia, 2015-16, Australian Bureau of Statistics

## The distribution of superannuation balances

Between 2005-06 and 2011-12 there were substantial improvements in the coverage of superannuation in the community, and in the incidence of more substantial superannuation balances. This has continued into 2015-16.

For instance, the percentage of males with more than \$100,000 in superannuation increased from 8.4 per cent in 2005-06 to 18.2 per cent in 2011-12 to 21.5 per cent in 2013-14 to 25.8 per cent in 2015-16, while for females the percentage increased from 2.8 per cent to 10.3 per cent to 12.8 per cent to 16.4 per cent.

However, considerable disparities between individuals remain. While the average balance for men aged 60 to 64 was \$270,700 around 50 per cent of men in that age group had balances of less than \$100,000. Around 65 per cent of women aged 60 to 64 had superannuation balances less than \$100,000, with around 50 per cent of women having nil or less than \$40,000 (Table 4)

There also are differences in the average balance between men and women even amongst those who had more than \$100,000 in superannuation. More specifically, for males in the 60 to 64 age group with more than \$100,000 in super, the average balance was around \$505,000 while for the women in that age group with more than \$100,000 in super the average was \$426,000. It is the significant minority of men with large superannuation balances that is a major contributor to the average for men overall being larger than that for women. However, going forward the lower contribution caps introduced in recent years are likely to constrain the achievement of relatively large superannuation balances.



**Table 4: Proportions of the population by account balance bands, 2015-16**

Superannuation balance group(a)					
	Nil	Low	Middle	High	Total
<b>Distribution of population (%)</b>					
<b>Male</b>					
15 to 19 years	3.0	1.0	0.0	0.0	3.9
20 to 24 years	1.2	3.1	*0.1	**0.0	4.3
25 to 29 years	0.7	3.1	0.7	0.1	4.5
30 to 34 years	0.5	2.1	1.6	0.4	4.5
35 to 39 years	0.4	1.3	1.6	0.8	4.1
40 to 44 years	0.4	1.0	1.3	1.5	4.2
45 to 49 years	0.4	0.8	1.0	1.9	4.1
50 to 54 years	0.6	0.7	0.8	1.9	4.0
55 to 59 years	0.6	0.6	0.6	2.0	3.7
60 to 64 years	0.7	0.5	0.5	1.7	3.3
65 to 69 years	1.2	0.3	0.3	1.2	3.0
70 to 74 years	1.2	0.1	0.2	0.7	2.2
75 to 79 years	1.0	0.1	0.1	0.4	1.6
80 to 84 years	0.8	0.1	*0.1	0.1	1.1
85 years and over	0.6	**0.0	**0.0	**0.0	0.7
<b>Total</b>	<b>13.3</b>	<b>14.6</b>	<b>8.8</b>	<b>12.7</b>	<b>49.2</b>
<b>Female</b>					
15 to 19 years	2.7	1.0	0.0	0.0	3.7
20 to 24 years	1.1	3.0	**0.0	0.0	4.2
25 to 29 years	0.8	3.2	0.5	*0.1	4.6
30 to 34 years	0.8	2.3	1.3	0.2	4.6
35 to 39 years	0.7	1.7	1.3	0.6	4.2
40 to 44 years	0.7	1.6	1.3	0.8	4.3
45 to 49 years	0.8	1.3	1.1	1.1	4.2
50 to 54 years	0.8	1.1	1.1	1.2	4.1
55 to 59 years	0.9	0.9	0.9	1.4	3.9
60 to 64 years	1.2	0.6	0.5	1.2	3.5
65 to 69 years	1.4	0.3	0.4	1.0	3.1
70 to 74 years	1.5	0.2	0.2	0.5	2.3
75 to 79 years	1.3	0.1	0.1	0.2	1.7
80 to 84 years	1.2	*0.0	*0.1	0.1	1.4
85 years and over	0.9	**0.0	**0.0	**0.0	1.0
<b>Total</b>	<b>16.6</b>	<b>17.2</b>	<b>8.7</b>	<b>8.3</b>	<b>50.8</b>
* estimate has a relative standard error of 25% to 50% and should be used with caution					
** estimate has a relative standard error greater than 50% and is considered too unreliable for general use					
(a) These groups have been grouped according to the following balance ranges:					
<ul style="list-style-type: none"> <li>• Nil - Has no superannuation account balance</li> <li>• Low - Has an account balance greater than zero but less than \$40,000</li> <li>• Middle - Has an account balance greater than \$40,000 and up to and including \$100,000</li> <li>• High - Has an account balance greater than \$100,000</li> </ul>					

**Table 4: Proportions of the population by account balance bands, 2015-16**

Superannuation balance group(a)					
	Nil	Low	Middle	High	Total
<b>Distribution of population (%)</b>					
<b>Persons</b>					
15 to 19 years	5.6	2.0	0.0	0.0	7.6
20 to 24 years	2.3	6.1	*0.1	**0.0	8.5
25 to 29 years	1.5	6.3	1.2	0.2	9.1
30 to 34 years	1.2	4.4	2.9	0.6	9.2
35 to 39 years	1.1	3.0	2.9	1.3	8.3
40 to 44 years	1.1	2.6	2.5	2.3	8.5
45 to 49 years	1.2	2.0	2.1	3.0	8.3
50 to 54 years	1.3	1.8	1.9	3.0	8.1
55 to 59 years	1.5	1.4	1.5	3.3	7.6
60 to 64 years	1.9	1.0	1.0	2.9	6.8
65 to 69 years	2.6	0.6	0.6	2.2	6.1
70 to 74 years	2.7	0.3	0.3	1.2	4.6
75 to 79 years	2.3	0.2	0.3	0.5	3.3
80 to 84 years	2.0	0.1	0.1	0.2	2.4
85 years and over	1.5	**0.0	*0.0	*0.1	1.7
<b>Total</b>	<b>29.8</b>	<b>31.8</b>	<b>17.5</b>	<b>21.0</b>	<b>100.0</b>
* estimate has a relative standard error of 25% to 50% and should be used with caution					
** estimate has a relative standard error greater than 50% and is considered too unreliable for general use					
(a) These groups have been grouped according to the following balance ranges:					
<ul style="list-style-type: none"> <li>• Nil - Has no superannuation account balance</li> <li>• Low - Has an account balance greater than zero but less than \$40,000</li> <li>• Middle - Has an account balance greater than \$40,000 and up to and including \$100,000</li> <li>• High - Has an account balance greater than \$100,000</li> </ul>					

Source: Survey of Income and Housing, Australia, 2015-16, Australian Bureau of Statistics

## Shares of superannuation by taxable income band

The ABS does not provide data on superannuation by income tax band, but this is separately published by the Australian Taxation Office. The latest data are for 2014-15 (Table 5).

The ATO data are broadly consistent with the ABS data but are for a year earlier and the averages are for those who have a superannuation account, not the population more generally. The ATO also has a higher number of individuals with a superannuation account than the ABS data but the overall assets in superannuation figures are quite similar. It is likely that the respondents to the ABS survey do not report small account balances that they have forgotten about or have lost contact with. This does not have a material impact on the overall average balance figures from the ABS survey.

Not surprisingly, average balance tends to rise with income level, reaching a peak of nearly \$520,000 for the \$180,000 plus taxable income group.

There are significant amounts of superannuation held by those with low or no taxable income. This includes individuals who are temporarily out of the paid labour force or who have retired. Superannuation clearly is not the preserve of those on high taxable incomes. As shown by the Table, around 36 per cent of superannuation assets in 2014-15 were held in accounts of individuals on taxable incomes of less than \$37,000 a year or who were not required to lodge a return because they had a low taxable income.

Around 11 per cent of superannuation assets were held by the 2.3 per cent of individuals on taxable incomes of more than \$180,000 a year. However, it should be noted that such individuals are responsible for around 30 per cent of the net income tax paid in Australia.

**Table 5: Average superannuation balance by income tax band, 2014-15**

Taxable income	Individuals with super		Net income tax paid		Average super balance	Share of total super balances
	no.	%	\$m	%	\$	
\$18,200 or less	1,938,506	12.0%	79	0.0%	100,758	10.9%
\$18,201 – \$37,000	2,784,607	17.3%	4,475	2.5%	77,182	12.0%
\$37,001 – \$80,000	4,757,215	29.5%	50,427	28.4%	101,739	27.1%
\$80,001 – \$180,000	2,209,799	13.7%	69,359	39.1%	211,331	26.1%
\$180,001 or more	377,034	2.3%	53,247	30.0%	519,597	11.0%
No income tax return	4,038,118	25.1%	0	0.0%	57,908	13.0%
<b>Total</b>	<b>16,105,279</b>	<b>100.0%</b>	<b>177,587</b>	<b>100.0%</b>	<b>111,205</b>	<b>100%</b>

Source: Taxation statistics 2014-15, Australian Taxation Office

## Shares of total superannuation by age and gender

The data clearly indicate that, not surprisingly given the impact of continuing contributions and investment returns, the relative shares of superannuation rise markedly with age. While the 9.1 per cent of the population aged 25 to 29 have just 2 per cent of total superannuation assets, the 7.6 per cent of the population aged 55 to 59 hold around 15.5 per cent of superannuation assets. Around 58 per cent of total superannuation assets are held by those aged between 50 and 69.

Given that the incidence of superannuation is higher for men and their account balances are on average higher, men held 61.2 per cent of total account balances in 2015-16 compared to around 38.7 per cent for women (Table 6). The share held by women increased by a substantial two percentage points compared to two years earlier.

Table 6: Shares of superannuation total superannuation assets by age and gender					
	Superannuation balance group(a)				Total
	Nil	Low	Middle	High	
Share of superannuation (%)					
<b>Male</b>					
15 to 19 years	0.0	0.0	0.0	0.0	0.0
20 to 24 years	0.0	0.3	*0.0	**0.0	0.3
25 to 29 years	0.0	0.6	0.4	0.2	1.2
30 to 34 years	0.0	0.4	1.1	0.8	2.2
35 to 39 years	0.0	0.3	1.2	1.5	2.9
40 to 44 years	0.0	0.2	1.0	3.5	4.7
45 to 49 years	0.0	0.2	0.8	5.6	6.6
50 to 54 years	0.0	0.1	0.7	6.8	7.6
55 to 59 years	0.0	0.1	0.5	9.3	9.9
60 to 64 years	0.0	0.1	0.4	9.5	10.0
65 to 69 years	0.0	0.1	0.2	7.9	8.3
70 to 74 years	0.0	0.0	0.2	5.2	5.3
75 to 79 years	0.0	0.0	0.1	1.7	1.8
80 to 84 years	0.0	*0.0	*0.1	*0.6	*0.7
85 years and over	0.0	**0.0	**0.0	**0.1	*0.1
<b>Total</b>	<b>0.0</b>	<b>2.2</b>	<b>6.5</b>	<b>52.5</b>	<b>61.2</b>
<b>Female</b>					
15 to 19 years	0.0	0.0	0.0	0.0	*0.0
* estimate has a relative standard error of 25% to 50% and should be used with caution					
** estimate has a relative standard error greater than 50% and is considered too unreliable for general use					
(a) These groups have been grouped according to the following balance ranges:					
• Nil - Has no superannuation account balance					
• Low - Has an account balance greater than zero but less than \$40,000					
• Middle - Has an account balance greater than \$40,000 and up to and including \$100,000					
• High - Has an account balance greater than \$100,000					

**Table 6: Shares of superannuation total superannuation assets by age and gender**

	Superannuation balance group(a)				Total
	Nil	Low	Middle	High	
Share of superannuation (%)					
20 to 24 years	0.0	0.2	**0.0	0.0	0.2
25 to 29 years	0.0	0.6	0.3	*0.1	1.0
30 to 34 years	0.0	0.4	0.9	*0.4	1.7
35 to 39 years	0.0	0.3	1.0	1.0	2.3
40 to 44 years	0.0	0.3	0.9	1.8	3.0
45 to 49 years	0.0	0.2	0.8	3.1	4.1
50 to 54 years	0.0	0.2	0.8	3.6	4.6
55 to 59 years	0.0	0.2	0.6	4.6	5.4
60 to 64 years	0.0	0.1	0.4	5.6	6.1
65 to 69 years	0.0	0.1	0.3	5.6	5.9
70 to 74 years	0.0	0.0	0.1	2.7	2.9
75 to 79 years	0.0	*0.0	0.1	0.9	1.0
80 to 84 years	0.0	*0.0	*0.0	*0.4	0.5
85 years and over	0.0	**0.0	**0.0	**0.1	*0.1
<b>Total</b>	<b>0.0</b>	<b>2.6</b>	<b>6.3</b>	<b>29.7</b>	<b>38.7</b>
<b>Persons</b>					
15 to 19 years	0.0	0.0	0.0	0.0	0.0
20 to 24 years	0.0	0.5	*0.1	**0.0	0.5
25 to 29 years	0.0	1.1	0.8	0.3	2.2
30 to 34 years	0.0	0.8	2.0	1.1	3.9
35 to 39 years	0.0	0.6	2.1	2.5	5.2
40 to 44 years	0.0	0.5	1.9	5.3	7.7
45 to 49 years	0.0	0.4	1.6	8.6	10.6
50 to 54 years	0.0	0.3	1.5	10.4	12.2
55 to 59 years	0.0	0.3	1.1	14.0	15.4
60 to 64 years	0.0	0.2	0.8	15.2	16.2
65 to 69 years	0.0	0.1	0.5	13.4	14.1
70 to 74 years	0.0	0.1	0.3	7.9	8.2
75 to 79 years	0.0	0.0	0.2	2.5	2.8
80 to 84 years	0.0	0.0	0.1	1.0	1.2
85 years and over	0.0	**0.0	*0.0	*0.2	*0.3
<b>Total</b>	<b>0.0</b>	<b>4.8</b>	<b>12.9</b>	<b>82.4</b>	<b>100.0</b>
* estimate has a relative standard error of 25% to 50% and should be used with caution					
** estimate has a relative standard error greater than 50% and is considered too unreliable for general use					
(a) These groups have been grouped according to the following balance ranges:					
<ul style="list-style-type: none"> <li>• Nil - Has no superannuation account balance</li> <li>• Low - Has an account balance greater than zero but less than \$40,000</li> <li>• Middle - Has an account balance greater than \$40,000 and up to and including \$100,000</li> <li>• High - Has an account balance greater than \$100,000</li> </ul>					

Source: Survey of Income and Housing, Australia, 2015–16, Australian Bureau of Statistics

The various data indicate that on average men are more likely both to have superannuation and to have a higher account balance. There are a number of reasons for this, including women having more time out of the paid labour force for family and other reasons and women more likely to be employed in part-time and/or lower paid occupations.

While on the face of it there remains a very substantial disparity in shares of superannuation between men and women, there has been a very substantial improvement on the estimated share for women in 1994 of 23 per cent.

While improvements for women in superannuation coverage and average balance were recorded across the range of age groups, the most significant increases recorded were for older women.

Compulsory superannuation together with increased labour force participation rates for older women are likely to have been significant factors in the increasing shares of superannuation held by women.

The percentage share figures also clearly demonstrate both the build-up of superannuation assets with increasing age but also cohort effects with some older Australians having relatively little superannuation. The age group 60 to 64 appears to be the one where holdings of superannuation peak.

ASFA has also recommended a number of policy changes that would further improve superannuation outcomes for both for women and men. These include:

- Abolition of the \$450 a month threshold for payment of Superannuation Guarantee contributions.
- Payment of superannuation contributions linked to paid parental leave.
- Providing an ability for individuals to make catchup contributions when their account balance is low.
- Increasing the rate of the Superannuation Guarantee to 12 per cent as soon as possible.