



ASFA EXPLAINER

Trust, Superannuation
and a multicultural
Australia

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About ASFA

ASFA, the voice of super, has been operating since 1962 and is the peak policy, research and advocacy body for Australia's superannuation industry. ASFA represents the APRA regulated superannuation industry with over 100 organisations as members from corporate, industry, retail and public sector funds, and service providers. We develop policy positions through collaboration with our diverse membership base and use our deep technical expertise and research capabilities to assist in advancing outcomes for Australians.

We unite the superannuation community, supporting our members with research, advocacy, education and collaboration to help Australians enjoy a dignified retirement. We promote effective practice and advocate for efficiency, sustainability and trust in our world-class retirement income system.

Executive Summary

Australia's superannuation system is a world-leading success story. It is universal, employment-based, and is delivering strong retirement outcomes for Australians. The 2025 ASFA Survey on Australians' sentiment and perceptions of superannuation has found that nearly 80 per cent of respondents were satisfied with their fund's performance and trusted their fund to make sound financial decisions on their behalf. More than 90 per cent agreed that superannuation is essential for financial security in retirement.

This high level of trust can be found across almost all demographics, including age, gender, location, income, and education level. However, one notable area with a lower level of satisfaction is with those from a culturally and linguistically diverse (CALD) background. Among this cohort, satisfaction with superannuation performance was at 70 per cent. While this is still high, it is a notable divergence from the otherwise universal levels of support found among other cohorts.

This paper seeks to explain that differentiation. Some groups remain at risk of having lower balances on average, including Australians from culturally and linguistically diverse (CALD) backgrounds, and this can be a contributing factor to lower satisfaction and trust, with analysis of HILDA data showing that non-English-speaking Australians have significantly lower superannuation balances.

This explainer considers possible channels through which those from CALD backgrounds can impact economic and financial circumstances and hence influence both superannuation balances and perceptions of fund performance. It concludes with a set of policy recommendations aimed at strengthening the system's universality, adequacy, and equity.

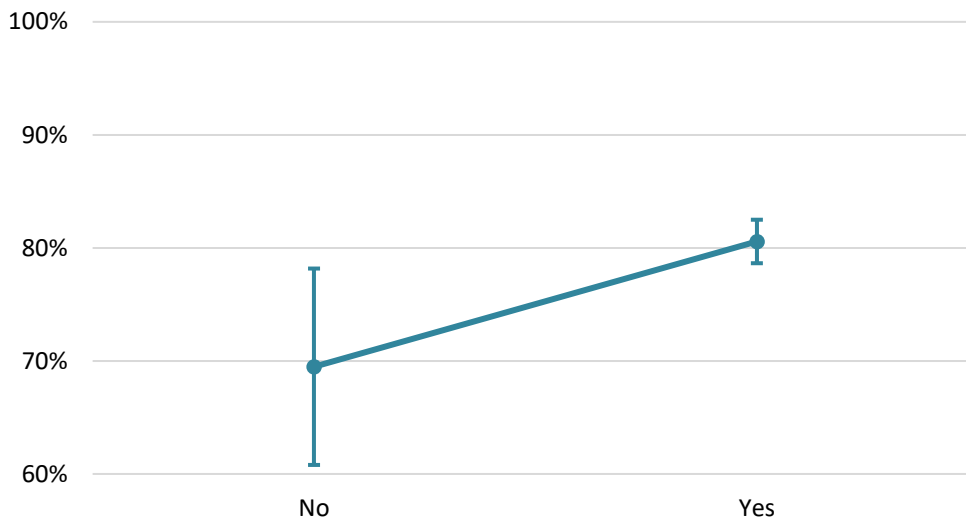
In summary, the proposals include:

- Addressing unpaid or underpaid superannuation in the gig economy through stronger compliance mechanisms.
- Enhance outreach to the CALD community by providing clear and accessible superannuation information in multiple languages, including via widely used platforms such as MoneySmart, and offering translation services where appropriate to ensure the information is understood and used.
- Include SG payments in the Fair Entitlements Guarantee to protect all employees, particularly those with low super balances, including many CALD Australians.
- Reforming the superannuation arrangements for departed temporary workers by reducing the tax rate for superannuation payments made to PALM scheme workers when they have departed the country and that the ATO pay unclaimed superannuation amounts to foreign bank accounts.

Satisfaction in super performance is high, but has room to grow

Recent ASFA analysis of a national survey conducted for ASFA shows that while overall satisfaction with the superannuation sector and fund performance remains high, people who speak a language other than English at home report noticeably lower satisfaction. Holding other factors constant, satisfaction among this group was 69 per cent compared to 81 per cent for respondents who only spoke English at home.

Chart 1: Satisfaction with superannuation fund performance by language spoken - English only or not



Source: Author's calculations based on Logit model estimates.

This gap raises important concerns about the level of engagement and equity experienced by culturally and linguistically diverse (CALD) Australians within the superannuation system. A number of contributing factors may be at play. First, similar to the barriers CALD people face in the healthcare system, there may be language and information barriers that limit access to superannuation-related knowledge: many CALD individuals may not have access to plain-language or multilingual materials that clearly explain how the super system works, which in turn may reduce their confidence and trust in their fund's performance. The fact that the design and operation of superannuation is relatively unique to Australia is likely another factor.

Second, as mentioned before, ASFA research (2024) has found that individuals from non-English-speaking backgrounds tend to have significantly lower super balances on average compared to their English-speaking background counterparts. There being lower average balances for CALD Australians may itself be a source of dissatisfaction. To this point, CALD individuals may be disproportionately represented in casual, part-time, or informal employment arrangements that either exclude individuals from regular super contributions or provide them with lower and more volatile income, further hindering their benefits.

Superannuation in a Multicultural Australia

Over the past three decades, Australia's superannuation system has established itself as a world-leading model. It is universal, equitable, and has delivered stronger retirement outcomes for many Australians. Most Australians recognise its value: the 2025 ASFA Survey shows high levels of satisfaction with fund performance and strong trust in funds to make sound decisions.

Despite the system’s success, there remain pockets of disadvantage. Australians from culturally and linguistically diverse (CALD) backgrounds are one such group. Polling data indicate lower levels of satisfaction with fund performances among CALD respondents, which may be linked to their lower average superannuation balances. HILDA data confirms that non-English-speaking Australians approaching retirement hold significantly lower balances than the broader population.

These inequities highlight the importance of ensuring that the system’s universality, adequacy, and equity work effectively for all Australians, including CALD communities.

CALD communities make substantial contributions to Australia’s cultural and social life. They enrich the national fabric with diverse traditions, festivals, cuisines, and languages, fostering multiculturalism and social cohesion while building vital connections with communities across Asia, Europe, the Middle East, and beyond.

These cultural bridges then extend into the economy. In Western Australia, which has one of the highest proportions of CALD residents, many CALD business owners draw on international networks and cultural knowledge to open trade opportunities and strengthen global links. Research by the Office of Multicultural Interests shows CALD businesses are more likely to serve niche markets, introduce new products, revitalise local shopping strips, and enhance community vibrancy, while also promoting inclusivity and social cohesion.

At the same time, CALD Australians often face disadvantages. Health data from AIHW (2024) show that people with CALD backgrounds are less likely to engage in unhealthy behaviours such as smoking or risky drinking. However, the health advantage they often have upon arrival tends to diminish after a decade in Australia, with declines in both mental health and self-assessed health (Jatrana et al., 2017).

Language barriers, limited understanding of institutions, and cultural differences can reduce access to public services (AIHW, 2022). These barriers are likely to also affect engagement with the superannuation system. To address these barriers and support greater engagement with the superannuation system, targeted initiatives could include providing culturally and linguistically appropriate information, improving outreach to CALD communities, and developing tailored education programs to help individuals better understand and access their superannuation entitlements.

Comparing Super Balances: CALD Communities and the Broader Community

An earlier ASFA research note using HILDA data found that while coverage and balances for CALD Australians grew strongly between 2014 and 2022, outcomes remain lower than for the broader population.¹

Coverage rates have improved and now approach those of the general population, particularly among younger people, where CALD individuals under 35 even show higher coverage than the general population. This is a positive sign for long-term participation in superannuation. However, average balances across all age groups remain lower, and gender gaps persist, reflecting the effects of time out of the workforce for caring responsibilities.

Table 1 below provides an updated close look at household wealth in terms of superannuation accumulation, by household type and CALD background of household members. It is clear that for both lone households and couple households, a typical CALD household has only about half the amount of superannuation that their non-CALD peers typically have.

Table 1: Median equivalised household Superannuation (\$) by household type and CALD background

¹ This analysis used the non-English Speaking background as a proxy.

	Lone Household	Couple Household
Non-CALD	40,000	125,000
CALD	20,000	53,500

Source: Author's calculations using HILDA 2022 data.

Measures designed to build on the strengths of the current system in regard to adequacy, equity and universality would deliver positive outcomes for all Australians and are likely to deliver better outcomes for CALD individuals in particular. For instance, policies such as including Superannuation Guarantee payments in the Fair Entitlements Guarantee would strengthen protections for all employees, particularly those with lower incomes or smaller superannuation balances. Given that CALD Australians are more likely to have lower super balances, such reforms would provide them with greater financial security and help reduce retirement savings gaps.

Moreover, extending the Superannuation Guarantee to cover self-employed and gig economy workers would strengthen the universality of the system and help ensure that all forms of work contribute to retirement savings. Current settings leave many in the gig economy outside SG coverage, leading to lower balances and increased risks of underinsurance (ASFA 2017). This gap also raises equity concerns, as CALD workers are disproportionately represented in gig economy roles and therefore more likely to miss out on super contributions (ASFA 2024). Addressing this would enhance the adequacy of the system, particularly for low-income, female workers, and workers with a CALD background who are more reliant on non-standard forms of work.

There is also a possible role for government services in building an understanding of the superannuation sector for newly arrived Australians and providing longer-term members of the CALD community with appropriate information in a range of languages. For instance, both MoneySmart and the Australian Taxation Office (ATO) provide information in multiple languages, which is a valuable step toward improving financial inclusion. Building on these efforts, there is scope for further outreach to ensure that multilingual information reaches those who would benefit most, and for other relevant agencies to make similar resources available.

ASFA policy advocacy and recommendations

Australians from non-English speaking backgrounds continue to face barriers that leave them with lower superannuation balances on average than the broader population, especially women and older CALD cohorts. A range of policy responses would support larger and more consistent contributions, address labour market vulnerabilities, and ensure equitable access to information.

ASFA Policy Recommendations

The following policy measures would lower barriers faced by CALD people and help close the gap in superannuation balances:

- Addressing unpaid or underpaid superannuation in the gig economy through stronger compliance.
- Enhance outreach to the CALD community by providing clear and accessible superannuation information in multiple languages, including via widely used platforms such as MoneySmart, and offering translation services where appropriate to ensure the information is understood and used.
- Include SG payments in the Fair Entitlements Guarantee to protect all employees, particularly those with low super balances, including many CALD Australians.
- Reform the superannuation arrangements for departed temporary workers by reducing the tax rate for superannuation payments made to PALM scheme workers when they have departed the country and that the ATO pay unclaimed superannuation amounts to foreign bank accounts

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Appendix

Defining CALD group

Australia, as a migrant nation, has a culturally, religiously, and linguistically diverse population. The share of Australians born overseas has risen steadily over the past half-century and exceeded 30 per cent in 2023 (ABS, 2024). In terms of language, the 2021 Census recorded 5.8 million people (22.8 per cent) speaking a language other than English at home, up from 4.9 million (21.6 per cent) in 2016 (ABS, 2022a).

In Australia, Culturally and Linguistically Diverse (CALD) refers to groups and individuals whose ancestry is other than Anglo-Saxon, Anglo-Celtic, Aboriginal, or Torres Strait Islander, and who differ in terms of language, ethnicity, culture, or religion (Office of Multicultural Interests, 2023). The term CALD has replaced the earlier label Non-English Speaking Background (NESB), with the aim of being more inclusive.

The Australian Bureau of Statistics identifies four main indicators for CALD classification: country of birth, main language spoken at home, English proficiency, and Indigenous status (ABS, 2022b). For migrants, the first three are most relevant, and in practice country of birth and language spoken at home are most often used together. These indicators are strongly related: in 2021, 71.8 per cent of those who spoke a non-English language at home were first-generation migrants. Among those born in Australia but speaking a non-English language at home, 83 per cent had at least one parent born overseas.