

An update on superannuation account balances





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.

The Association of Superannuation Funds of Australia Limited (ASFA)

PO Box 1485, Sydney NSW 2001

T +61 2 9264 9300 or 1800 812 798 (outside Sydney)

ABN 29 002 786 290

ACN 002 786 290

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Enquiries are to be made to The Association of Superannuation Funds of Australia Limited.

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Executive Summary

Australia's superannuation system continues to grow in strength and maturity, delivering higher balances and better outcomes for millions of Australians.

Less than 35 years since its introduction, the compulsory Superannuation Guarantee (SG) has already generated around \$1 trillion in additional household savings and is providing a stronger foundation for retirement incomes. This paper provides an update on superannuation account balances as at June 2023. It examines trends by age and gender, the influence of investment returns, and developments in account numbers.

The analysis shows that balances have continued to increase through ongoing contributions and strong investment performance. Women now hold a greater share of total superannuation assets than in the past, although gaps remain at retirement age. Around three in ten Australians currently retire with enough savings to meet the ASFA Comfortable Retirement Standard, a proportion that is expected to rise as the system matures. Indeed, ASFA estimates that a 30-year old today, with \$30,000 in their super, earning the median wage will retire with \$610,000 in super, above the \$595,000 needed for a comfortable retirement.

The efficiency of the system has improved, with fewer multiple accounts and a record proportion of Australians holding a single account. Importantly, the evidence shows that most retirees draw down their superannuation during retirement, consistent with the system's purpose of providing income in retirement rather than accumulating wealth for inheritance.

Together, these findings confirm that the superannuation system is meeting its objectives while also identifying opportunities for policy refinements to improve equity and retirement outcomes for all Australians.

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The growing impact on retirement savings of the compulsory superannuation system

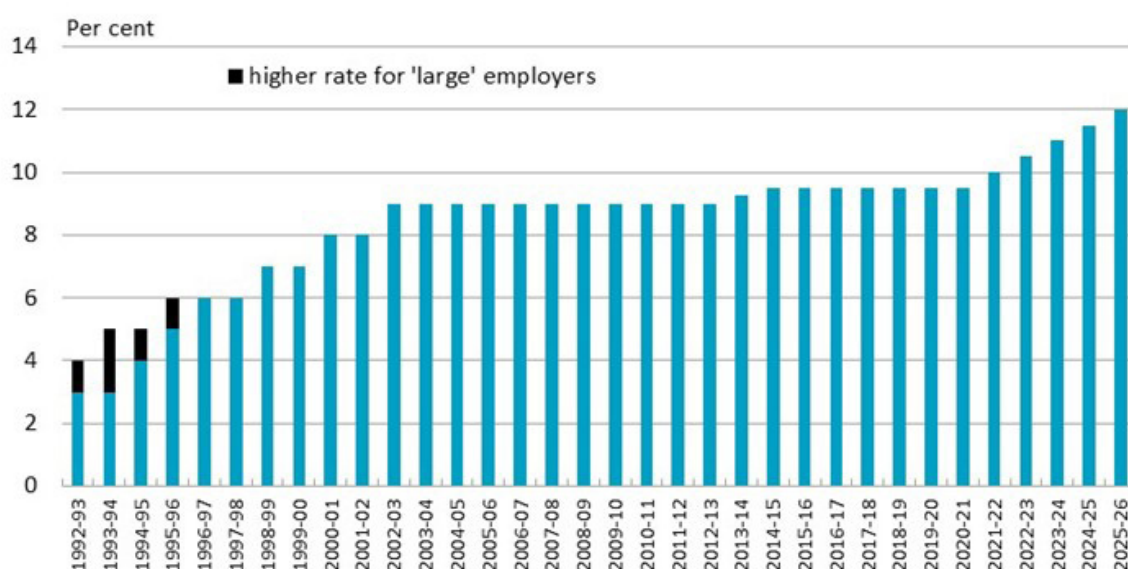
Despite the Superannuation Guarantee (SG) system being less than 35 years old, and with the full benefits of the system still being realised, it is clear that superannuation is achieving its primary role of delivering a dignified retirement to Australians, and also having a substantial positive impact on the whole economy.

The impact of compulsory superannuation is reinforced by the SG moving to 12 per cent from 1 July 2025. There currently are no further legislated increases to the SG rate in the years ahead.

As shown by Chart 1, there were extended periods when the rate of the SG was stalled, initially at 9 per cent and then at 9.5 per cent. The recent increases in the rate will lead to substantially better retirement incomes in the years ahead.

Chart 1: The Superannuation Guarantee rate (as of 1 July for each financial year)

The cumulative impact of compulsory superannuation is substantial. As a result of the SG regime, ASFA's conservative estimate is that Australian households have around \$1 trillion in savings that they otherwise would not have saved.



Source: ATO and ASFA.

Account balances by age and gender as at June 2023

Given that many Australians have received compulsory contributions at or not much more than 9 per cent (in some cases for a limited number of years and/or at lower rates for a considerable period of time), many Australians still have relatively modest levels of superannuation.

However, the good news is that balances have been growing for most individuals because of continued contributions and strong investment earnings. Many individuals now have substantial superannuation account balances.

More specifically, for those with superannuation (excluding persons with a nil balance), Australian Taxation Office (ATO) data indicates that at end June 2023 the average balance for males aged 15 and over was \$192,119 with a median balance of \$68,568. For females the average was \$154,641 with a median balance of \$54,349. Both average and median values were up compared to June 2022¹.

Contributions and investment earnings increased average superannuation balances, with this being partially offset on average by benefit payments. Average investment returns were 9.2 per cent in 2022-23. There have been strong investment returns since June 2023, with average 9.1 per cent investment returns in 2023-24. Data for 2024-25 for investment returns indicate typical investment returns for a balanced or growth investment option above 10 per cent. Superannuation fund members in retirement phase also have higher returns due to lower taxation on investment returns, with many retirees having cumulative investment returns over the two years of over 20 per cent.

The average superannuation investment return in the accumulation phase over the last 30 years is around 7.5 per cent.

Superannuation balances also have been impacted over the last couple of years by substantial benefit payments, both for retirement and for hardship and compassionate release. Around 160,000 accounts were closed as a result of COVID Early Release payments with up to one million accounts left with less than \$1,000. COVID Early Release payments were particularly concentrated amongst younger people, the lower paid and/or single parents.

Strong investment returns together with the SG reaching the legislated rate of 12 per cent in 2025 will help more Australians achieve a comfortable and dignified lifestyle in retirement but account balance data indicate that many Australians still have a long way to go in achieving that goal. Currently just over 30 per cent of Australians are able to afford expenditure in retirement at or above the ASFA Comfortable Retirement Standard level.

¹ The Australian Taxation Office releases superannuation balance statistics annually, normally around June each year. The latest available data are for June 2023: <https://www.ato.gov.au/about-ato/research-and-statistics/in-detail/taxation-statistics/taxation-statistics-2022-23/statistics/individuals-statistics>

As the system matures and average and median balances increase, this figure will rise to 50 per cent or more by the year 2050.

Couples are more likely to reach ASFA Comfortable than single people.

Table 1 provides further details of average balances as at 30 June 2023 by age and gender. Table 2 provides balances for males and females combined. Not surprisingly, the figures in Table 2 fall between higher average balances for males and lower average balances for females.

Table 1: Superannuation balances by age and gender, June 2023

Age	Male			Female		
	Number	Average account balance \$	Median account balance \$	Number	Average account balance \$	Median account balance \$
under 18	90,636	7,687	350	88,907	4,699	220
18-24	1,039,453	9,062	5,394	999,238	8,163	4,963
25-29	934,472	27,021	19,220	894,272	24,821	19,162
30-34	966,805	55,690	41,268	944,082	46,586	36,016
35-39	955,486	96,122	74,130	925,732	76,020	57,566
40-44	893,286	140,680	108,344	849,515	109,209	79,445
45-49	804,331	193,501	144,272	773,198	147,146	101,888
50-54	812,852	254,071	177,194	794,058	190,175	122,150
55-59	716,833	319,743	202,583	695,407	242,945	140,662
60-64	660,653	395,852	219,773	633,931	313,360	163,218
65-69	492,055	448,518	217,954	473,476	392,274	199,006
70-74	336,291	501,785	214,749	320,966	449,540	215,202
75 or more	368,841	525,627	185,228	325,593	454,333	179,928

Table 2: Superannuation balances by age, June 2023

Age	Number	Average account balance \$	Median account balance \$
under 18	179,983	6,195	274
18-24	2,042,159	8,614	5,170
25-29	1,829,172	25,943	19,187
30-34	1,911,170	51,190	38,525
35-39	1,881,402	86,223	65,491
40-44	1,742,927	125,332	93,351
45-49	1,577,609	170,774	121,924
50-54	1,606,959	222,491	147,857
55-59	1,412,277	281,921	169,146
60-64	1,294,616	355,451	189,618
65-69	965,541	420,934	208,143
70-74	657,263	476,268	215,009
75 or more	694,437	492,198	182,484
Total	17,892,696	172,834	60,037

For both males and females, the average balance increases steadily by age group, up until a point. After around age 70 the number of those with superannuation drops substantially, with the median amount also declining from around age 75. After age 70 the incidence of contributions drops off and individuals still having superannuation tend to draw down on their balances (this is consistent with the intended design of superannuation). Many accounts held by older Australians get closed due to lump sum withdrawals either at the time of retirement or during retirement. As will be discussed later in this paper, relatively few Australians in retirement die with a substantial superannuation balance.

Individuals with relatively low balances at the time of retirement not infrequently close their account completely and use their superannuation lump sum benefit to pay off debts and/or fund expenditure on, say, home repairs or a replacement car. ABS survey results indicate that in 2022-23 for individuals who had retired, around 265,000 had received a lump sum from superannuation in the last four years and around 955,000 individuals had received a superannuation lump sum not in the last four years. Uses made of lump sums included investing outside superannuation (including in bank accounts), paying off a home or home improvements, purchase or paying off a

motor vehicle, clearing outstanding debts, paying for a holiday, and assisting family members². Around 355,000 had used the lump sum for paying off a home loan, home improvements or buying a new home.

Median balances are important given that the high balances of a small proportion of individuals can impact on average figures. However, encouragingly, the median account balance (the balance at which 50 per cent of individuals have a lower balance and 50 per cent have a higher balance) are now quite substantial across a range of age groups.

At earlier ages the median figures are not much below average (mean) balances but from age 45 onwards the difference increases.

There also are differences in median balances for males and females. The median balance in June 2023 for those aged 60 to 64 was \$219,773 for males and \$163,218 for females, a 25.7 per cent difference. Females held around 43.6 per cent of total superannuation assets as at June 2023, with males 56.4 per cent. The share for females was up from 41.9 per cent five years before.

The ATO have also made available to researchers a 2 per cent sample of individuals who have lodged tax returns. This includes information on superannuation balances. The sample covers 14.6 million individuals with superannuation, excluding about 3.2 million individuals with superannuation but who did not lodge a tax return for the 2022-23 financial year. However, the mean and median figures in the sample data (which is a very big sample with around 290,000 records) are similar to those for all with superannuation.

Tables 3 and 4 provide details of superannuation balances by specified percentile levels for both males and females.

For individuals at or approaching retirement and aged 60 to 64, 10 per cent of males had more than \$993,785 in superannuation with 25 per cent of males having more than \$504,347. For females, 10 per cent had more than \$769,800 with 25 per cent having more than \$388,596. On the other hand, for the same age group 25 per cent of males had less than \$60,172 in superannuation with 25 per cent of females having less than \$49,199.

While the gender gap has not markedly reduced in recent years, more men and women are retiring with a superannuation balance and average balances are increasing as the system matures. As a result more recent retirees are retiring with no Age Pension or a part Age Pension, with their retirement income substantially higher than the Age Pension.

² Retirement and Retirement Intentions, Australia, 2022-23 financial year | Australian Bureau of Statistics

Factors which will reduce the gender gap in superannuation include:

- Payment of SG contributions on paid parental leave payments
- Abolition of the \$450 a month earnings threshold for SG employer contributions
- Women spending more years in the paid labour force

Expansion of the Low Income Superannuation Tax Offset (LISTO), which ASFA has advocated for, also will assist in reducing the superannuation gender gap.

Table 3: Superannuation balances for males by percentile level, 2023

Age	p10	p25	Median	p75	p90	Mean
under 20	0	16	831	2,726	5,269	5,276
20 to 24	625	3,059	7,746	14,483	22,816	10,480
25-29	997	7,114	19,078	36,921	57,995	26,567
30-34	1,831	13,615	41,943	78,098	117,787	55,360
35-39	4,256	25,340	76,396	136,656	206,958	96,705
40-44	7,355	41,032	111,495	197,453	305,064	142,532
45-49	8,899	55,987	146,770	269,148	426,783	195,380
50-54	11,147	71,545	184,603	353,799	583,059	260,061
55-59	11,460	82,057	213,531	427,627	762,968	334,950
60-64	522	60,172	221,401	504,347	993,785	417,604
65-69	0	13,520	192,301	534,533	1,111,841	458,858
70-74	0	0	85,812	485,953	1,226,845	468,376

Table 4: Superannuation balances for females by percentile level, 2023

Age	p10	p25	Median	p75	p90	Mean
under 20	0	0	651	2,163	4,307	2,657
20 to 24	733	3,097	7,401	13,565	20,770	9,693
25-29	862	6,548	18,923	35,096	52,131	25,231
30-34	1,477	10,515	35,193	67,459	99,587	45,486
35-39	2,133	16,032	55,953	108,471	164,874	75,579
40-44	3,658	22,636	77,859	153,037	243,589	107,171
45-49	5,646	34,250	103,641	200,564	332,432	147,867
50-54	7,773	44,269	123,096	251,476	432,454	193,177
55-59	9,058	54,486	145,682	306,986	576,249	246,487
60-64	721	49,199	164,502	388,596	769,800	320,224
65-69	0	18,449	159,516	467,005	960,606	385,347
70 and over	0	0	56,072	419,019	1,090,274	403,754

Source: Tables 3 and 4 derived from ATO 2% sample

LISTO is a government superannuation payment which helps low-income earners save for retirement. Before-tax super contributions are taxed by the government at 15 per cent. The low-income tax offset effectively refunds that tax for low income earners straight into their super fund.

Females are the biggest recipients of the LISTO. The number of females eligible for the tax break increases significantly around the time they start having children. Recipients do not need to do anything to claim this low-income tax offset. It happens automatically when people lodge their tax return, provided the superannuation fund has a copy of the member's tax file number. In 2023-24 there was a total of \$666 million in LISTO payments made by the ATO to the superannuation accounts of 2.54 million individuals³. Despite growth in the labour force the number of individuals benefitting from LISTO has fallen in recent years given that wages growth has resulted in more employees being over the upper income threshold for LISTO.

The LISTO currently applies to those earning \$37,000 or less a year and is designed to provide a tax incentive for superannuation contributions even when a taxpayer is on the lowest personal tax rate, or is not subject income tax at all because they are under the income threshold of personal income tax. The LISTO upper threshold is not indexed but income tax thresholds have been adjusted upwards. In 2023-24 the 19 cents in the dollar tax rate applies to incomes between \$18,201 and \$45,000.

³ Annual reports – Low income superannuation tax offset | Australian Taxation Office (ato.gov.au)

The Government has recently announced that from 1 July 2027, the LISTO threshold will increase from \$37,000 to \$45,000 to match the top of the second income tax bracket. The maximum payment will also increase to \$810 to account for recent increases in the Superannuation Guarantee rate.

ASFA has recently commenced publishing the expenditure required and the lump sum in superannuation needed to support a modest lifestyle in retirement for individuals in private rental. The lump sum needed at age 67 is \$340,000 for a single person and \$385,000 for a couple. For low income individuals, who are more prone to being in private rental in retirement, increasing the upper limit for receipt of the LISTO may make the difference between being able to have a modest lifestyle in retirement while renting as opposed to having to miss out on achieving even a modest lifestyle.



Developments in the number of people with a superannuation account

Generally, the number of persons with superannuation grows each year, with this largely driven by growth in the number of persons in the paid labour force.

Between June 2019 and June 2021 there was a fall of nearly 170,000 in the number of persons with superannuation. In contrast, between June 2022 and June 2023 there was an increase of around 730,000 in the number of persons with superannuation (Table 5). There was an increase in the number with superannuation in the older age groups, along with substantial increases for those aged between 18 and 34. A record number of individuals now have superannuation.

Table 5: Number with superannuation, June 2022 and June 2023

Age	Male Number		Female Number	
	June 2022	June 2023	June 2022	June 2023
under 18	78,800	90,636	75,988	88,907
18-24	955,295	1,039,453	920,306	999,238
25-29	884,551	934,472	840,566	894,272
30-34	931,580	966,805	908,079	944,082
35-39	934,796	955,486	897,345	925,732
40-44	856,427	893,286	809,489	849,515
45-49	856,427	893,286	809,489	849,515
50-54	795,018	812,852	773,383	794,058
55-59	802,604	804,331	769,945	773,198
60-64	795,018	812,852	773,383	794,058
65-69	716,530	716,833	691,545	695,407
70-74	640,637	660,653	613,586	633,931
75 or more	473,984	492,055	453,292	473,476

Source: [Individuals statistics](#) | [Australian Taxation Office \(ato.gov.au\)](#)

There are a number of reasons for the increase in the number with superannuation. Overseas migration was particularly affected by COVID-19, with international travel restrictions resulting in a net outflow of 85,000 overseas migrants from Australia in 2020-21. Particularly impacted was the number of temporary residents who worked in Australia, such as backpackers and other temporary workers and students working part-time.

With the easing of restrictions, net overseas migration has bounced back. This has impacted on the number of persons with superannuation as at June 2023.

As well, the abolition of the \$450 a month wages threshold for the payment of compulsory superannuation contributions took effect from 1 July 2022. This had a significant impact on the number of younger people working part-time who receive superannuation contributions.

However, there also was the impact of the COVID-19 early release arrangements. A previous ASFA research paper has provided details of its impact on account balances. Approximately 163,000 accounts were fully depleted by early release payments and closed in the June and September quarters of 2020. The cleaning out of accounts was more prevalent for women, single parents and the unemployed (including temporary residents). A proportion of those individuals would have had subsequent paid employment leading to the establishment of new superannuation accounts.

On the other hand, between June 2022 and June 2023 there was a substantial increase in the number of older Australians with superannuation. The number of Australians aged 75 and over with superannuation increased from around 635,000 to around 695,000, with the number of individuals aged 65 to 69 with superannuation increasing from around 930,000 to around 965,000. The increase in the number of persons aged 65 and over with superannuation is linked to the growing maturity of the Australian compulsory superannuation system, with higher average balances at the time of retirement. Higher balances tend to be kept in the system for longer rather than being spent at or near the time of retirement.



Growth in aggregate account numbers and trends in multiple account holdings

Data published by APRA⁴ (Table 6) show the impact of recent initiatives to address the number of unwanted multiple superannuation accounts.

Table 6: Aggregate superannuation account numbers (million)

Jun 2019	Jun 2020	Jun 2021	Jun 2022	Jun 2023	Jun 2024	Jun 2025
27.420	24.355	23.199	23.367	24.143	24.433	24.795

There was a sharp fall in the number of accounts held by superannuation funds between June 2019 and June 2020 reflecting the increase in the upper threshold for small and inactive accounts to be sent to the ATO. During this period there also was the closure of Eligible Rollover Funds, with those accounts also mainly going to the ATO.

COVID-19 Early Release of Superannuation in 2020 led to the closing of a substantial number of superannuation accounts and is likely to be responsible for the fall in the total number of accounts between June 2020 and June 2021.

The introduction in late 2021 of “stapling” of an existing superannuation account to employees who commence work with a new employer has had a less discernible impact on the aggregate number of superannuation accounts. However, this measure has assisted in keeping the total number of accounts in the system relatively unchanged and also constraining growth in the number of multiple accounts.

The reduction in multiple accounts that has occurred due to the various policy initiatives is also reflected in ATO data.

The most substantial reduction in multiple accounts occurred between June 2019 and June 2020, but there has been continuing reduction in multiple accounts since then. It is particularly pleasing to see that the percentage of individuals with four or more accounts has dropped from 4 per cent of individuals in 2019 to 1 per cent. The transfer of small inactive accounts to the ATO has been particularly effective in reducing the incidence of such accounts. A large majority of Australians now have only one superannuation account, with the percentage with only one account reaching a record high at 78 per cent in 2024.

⁴ Quarterly Superannuation Industry publication | APRA

Details are in Table 7 below.

Table 7: Number of super accounts held by individuals, 2020 to 2024

Number of super accounts	2020	2021	2022	2023	2024
1	74%	75%	76%	77%	78%
2	20%	19%	18%	18%	17%
3	5%	4%	4%	4%	4%
4 or more accounts	2%	2%	1%	1%	1%

Source: [Trend towards single accounts](#) | Australian Taxation Office ([ato.gov.au](#))

While there has been a trend towards single accounts, there are a number of justifiable reasons why an individual might have more than one account, particularly no more than two.

Multiple accounts can be justified when they are used to:

- Retain employer financed benefits in defined benefit funds after leaving an employer, especially unfunded public sector funds.
- Facilitate salary sacrifice and discretionary personal savings by those in defined benefit funds.
- Provide for individuals in defined benefit funds who have employment income from another employer as well.
- Retain entitlement for advantageous insurance coverage that cannot be obtained when moving to another fund because of a pre-existing condition or the like.
- Facilitate transition to retirement arrangements.
- Support individuals aged 65 and over or who earlier satisfied a condition of release but who are now still in employment and who also have an account based income stream.
- Satisfy perceived consumer needs for multiple accounts to meet investment and other requirements, including accounts used solely to finance insurance premiums (with around 725,000 accounts being used only for insurance purposes).

These factors together with APRA data on the number of inactive accounts in the system and ATO data on the number of individuals with multiple accounts indicates that a reasonable estimate of unwanted or unneeded multiple accounts in the system is of the order of 2 million.

Removing these inactive duplicate accounts from the system are likely to require individuals to take some initiative, albeit assisted by easy consolidation processes provided by funds direct and by the ATO through myGov.

The ATO as at June 2024 held around 3.1 million general, small and insoluble unclaimed money accounts and 1.7 million inactive low balance accounts (Table 8). The number of general, small and insoluble accounts has been falling as a result of the ATO paying balances to individuals or to their active superannuation account but the

number of small inactive accounts has been increasing following the increase in the upper threshold for such accounts to go to the ATO. The total amount of unclaimed superannuation held by the ATO is around \$6 billion. This figure has changed little in recent years.

Arguably, much of the work has been done in terms of reducing the number of inactive multiple superannuation accounts within superannuation funds. There still appears to be scope for a substantial reduction in the number of superannuation related accounts held by the ATO. As currently drafted, the legislation dealing with unclaimed superannuation does not allow the sending of inactive low balance amounts to an inactive account of an individual that remains with a superannuation fund because its balance is over the upper threshold for transfer to the ATO.

As well, the legislated requirements relating to superannuation amounts held by the ATO in regard to temporary residents who have left Australia can make it very difficult for such residents to later claim their superannuation. There can be challenges in assembling required documentation and the ATO will only pay to an Australian bank account or make payment by way of an Australian dollar denominated cheque. ASFA in its 2025 Pre-Budget Submission made a number of recommendations in regard to such workers facing fewer barriers to claiming their superannuation.

It also can be challenging for the beneficiaries of a deceased person to claim superannuation held by the ATO. The ATO requires a claimant to obtain probate or letters of administration for the deceased person's estate before making any payment. Where an individual dies with only very limited financial assets it may not be financially viable for a beneficiary to obtain probate or letters of administration.



Table 8: Superannuation related accounts held by the ATO

Category	2021 ('000)	2022 ('000)	2023 ('000)	2024 ('000)
USM: general, small and insoluble	3,291	3,156	3,113	3,072
USM: member eligible age – 65 years and over	98	101	106	109
USM: deceased	9	12	20	23
USM: inactive low balance accounts	1,371	1,573	1,689	1,732
USM: former temporary resident	951	999	1,001	1,001
USM: trustee voluntary payments	170	271	380	436
USM: eligible rollover funds	n/a	64	59	56
SHA: active	191	194	200	206
SHA: inactive – consolidated revenue	142	141	142	143
Total	6,223	6,513	6,710	6,778

Figures have been rounded to the nearest thousand. Totals may not align due to rounding.

Source: [ATO-held super: USM and SHA](#) | Australian Taxation Office



The number of individuals retiring each year and the age at which people retire

Retirement is more a state of mind than something that can be objectively measured, particularly in regard to older workers who are not employed but who might take a paid job if one was suitable and available to them.

Being in paid employment is generally inconsistent with retirement, although some individuals who have retired from a full-time job may then seek part-time or casual employment in the same or a different industry.

For superannuation funds a focus naturally will be on those retiring after age 60, the general preservation age for superannuation benefits.

ASFA analysis of Census data suggests that currently around 45,000 Australians aged 60 to 64 retire each year, around 65,000 aged 65 to 69 retire each year and around 40,000 aged 70 to 74 retire each year. This is consistent with the ABS estimate that 140,000 people retired in 2020, with an average age of 64.3 years⁵.

Some commentators put the number of newly retired at around 250,000 a year, based on the number of individuals turning 65 or 67 each year. However, retirement occurs at different ages for different people. As well, along with an ageing population structure, the labour force participation rate for older women and men has increased over the last decade (Table 9). This means that fewer people are retiring than what would be suggested by the demographic ageing of the population structure alone. For both women and men, a significant proportion of those aged 70 to 79 are still in the paid labour force.

Table 9: Labour Force Participation

	Women		Men	
	60-69	70-79	60-69	70-79
2014-15	32%	5%	47%	11%
2024-25	43%	9%	54%	14%

⁵Retirement and Retirement Intentions, Australia, 2020-21 financial year | Australian Bureau of Statistics (abs.gov.au)

Retirement and source of income in retirement

With most baby boomers reaching customary retirement ages, the number of retirees in Australia has grown significantly over the past two decades.

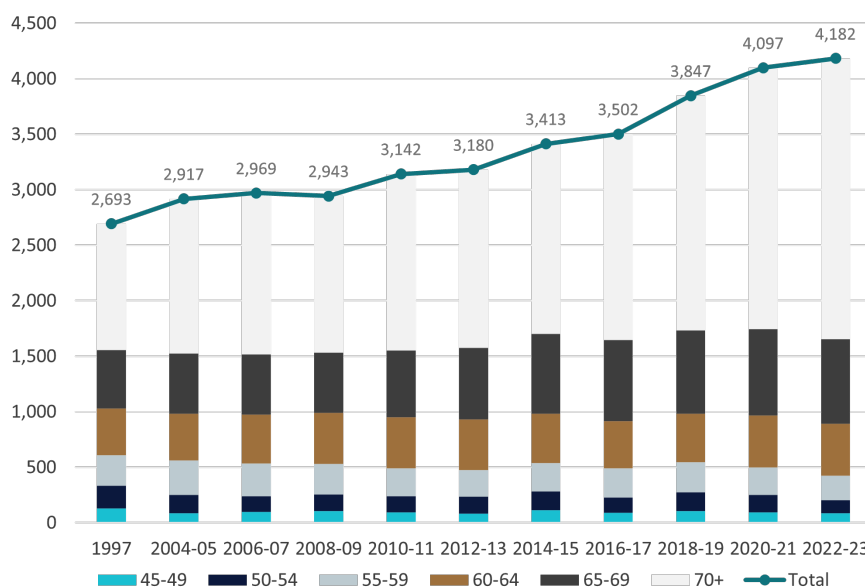
According to ABS data on retirement and retirement intentions, as shown in Chart 2, the population of retirees aged 45 and over has steadily increased. In the 2022-23 financial year, the number of retirees reached nearly 4.2 million, a rise of one million compared to 3.2 million in 2012-13. The largest annual increase occurred in 2018-19, when the number of retirees grew by 10 per cent. Rather than there being a tsunami of new retirees it is more like watching the tide come in.

A closer look at the age profile of retirees shows that most of this growth has come from people aged 70 and over, particularly since 2010-11. The second and third largest contributions came from the 65-69 and 60-64 age groups, respectively. In contrast, the number of retirees under 60 has consistently declined since 1997. Higher labour force participation rates for older women have contributed to this.

Together, the data indicate a shift: while fewer people are retiring before age 60, an increasing number are retired at 65 or later, particularly in their 70s. Some of this is due to the demographic effects of an ageing population structure which has a substantial proportion who are babyboomers, some of it is due to changed labour force behaviours.

Overall, Australia has experienced a growing retiree population over the past two decades, with a notable change in the age structure: fewer retirees are under 60, and more are aged 70 and above.

Chart 2: Number of retirees by age group, 1997 - 2023 ('000)



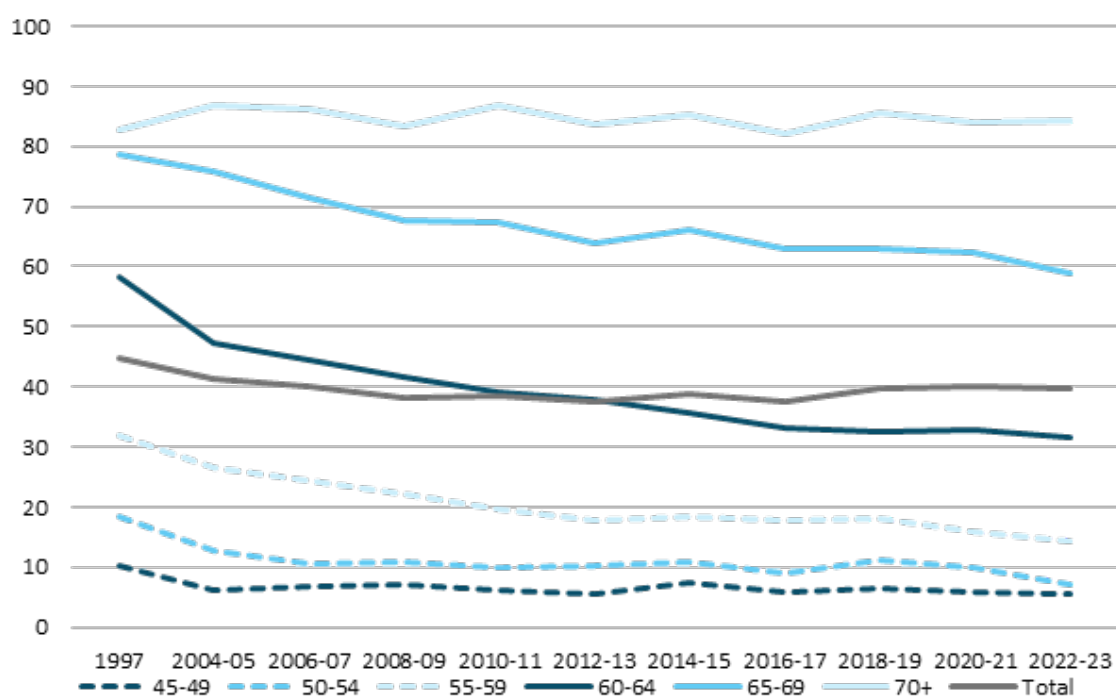
Source: Retirement and Retirement Intentions, Australia (ABS). Same for the following charts.

This trend is also reflected in the age-specific retirement rates shown in Chart 3. The dark grey line indicates the proportion of retirees among all Australians aged 45 and over. While there was a slight decline in the early 2000s, this rate has remained stable at around 40 per cent in recent years.

The six coloured (dash) lines show how the retirement share has changed across age groups. Among Australians aged 70 and over, the retirement rate has remained relatively stable at around 85 per cent, with only minor fluctuations. This suggests that the growth in the number of retirees in this age group is largely driven by demographic change. In other words, more people were reaching this age bracket as the population ages.

In contrast, all other age groups experienced a decline in retirement rates from 1997 to 2004-05. For those aged 45-49 and 50-54, the rate stabilised after the initial drop. However, the 55-59, 60-64, and 65-69 groups continued to see declining retirement rates through to the 2022-23 financial year. This implies that while the number of retirees aged 55-69 has increased, it has been the result of the declining share of retirees offsetting the effect of an ageing population.

Chart 3: Share of retirees in each age group above 45, 1997-2023(%)

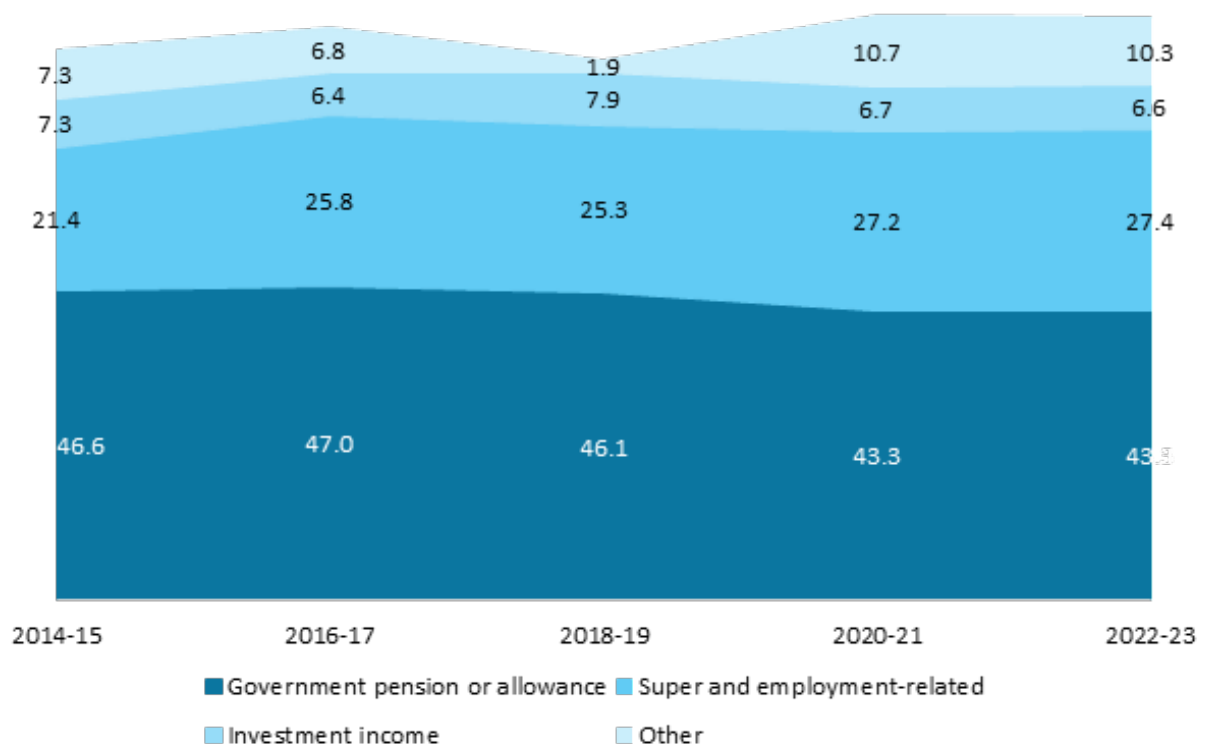


As Australia moves further into the era of population ageing, understanding how retirement is financed is increasingly important. This includes assessing whether the growing retiree population is placing pressure on public finances and whether the superannuation system is supporting retirees' financial wellbeing.

Chart 4 presents trends in the main sources of income for retirees aged 45 and over, from 2014-15 to 2022-23. Encouragingly, the share of retirees primarily reliant on government payments has declined since 2020-21. Over the same period, there has been a steady increase in the share of retirees whose main income source is superannuation or workers' compensation. As well, for many of those mainly relying on government payments there is also substantial superannuation income.

As more Australians reach retirement age having accumulated superannuation across their working lives, this upward trend is expected to continue.

Chart 4: Share of 45+ retirees by main source of personal income, 2014-15 - 2022-23 %



Despite the growing role of superannuation, gender differences remain substantial. Chart 5 shows the main source of income for retirees by gender and age group in 2022-23. Among retirees aged 50-59 who report government pensions or allowances as their main income source, these payments are unlikely to be the Age Pension. Instead, they may include other government support, such as the Disability Support Pension (DSP).

In the 60-69 age group, 43 per cent of male retirees reported superannuation as their main income source, compared with just 27 per cent of female retirees, highlighting a significant gender gap. While this difference narrows slightly among retirees aged 70 and over, it remains notable: one in three male retirees relied primarily on superannuation, compared to just one in five females.

As the superannuation system matures, policy measures aimed at improving gender equity, such as the implementation of superannuation on paid parental leave, are expected to reduce this gap for future generations.

Chart 5: Share of retirees by main source of personal income at retirement, gender, and age group in 2022-23 (%)



Account balances for those at or approaching retirement

While retirement occurs at different ages for different people, a practical approach to assessing adequacy of retirement savings in general is to look at superannuation balances of those aged 60 to 64, an age group where there are a substantial number of retirements with many more retiring not long after.

As indicated by Table 1 earlier in this paper, for individuals aged 60 to 64 the average superannuation balance as at June 2023 for males was \$395,582 with a median of \$219,773 and for females the average was \$313,360 with a median of \$163,218.

Around 23 per cent of females in that age group have no superannuation compared to 13 per cent of males.

The data suggests that average and median balances actually increase after age 65. This somewhat surprising outcome appears to be largely driven by a significant number of low account balance individuals cashing out their superannuation after age 65 with the number of individuals with superannuation falling substantially (by about 25 per cent).

Consistent with this, the data indicates that there were 660,653 males with superannuation aged 60 to 64 but only 492,055 with superannuation aged 65 to 69. For females the equivalent figures were 633,931 and 492,055.



The number of Australians with superannuation retirement accounts and aggregate assets in such accounts

It is sometimes claimed that the superannuation sector unduly focuses on the accumulation phase with little attention to the retirement phase.

Recently published statistics indicate the very extensive assets and product offerings related to the provision of retirement income, and the growth in aggregate assets and members with retirement income accounts.

APRA data indicates that as at March 2025 APRA regulated funds offered 212 retirement products and 119 transition to retirement products. Total assets involved were \$490 billion for retirement products and \$15 billion for transition to retirement products. Assets for retirement products were up 8.6 per cent compared to a year earlier.

These products covered 1,354,000 retirement accounts and 64,000 transition to retirement accounts. The number of retirement accounts was up by around 7 per cent compared to a year earlier. The average member balance in the retirement accounts was \$362,000.



Further details are in Table 10 below.

Table 10: Characteristics of Retirement Income Products, March 2025

Number of products

Corporate	Industry	Public Sector	Retail	Total
3	28	15	166	212

Member assets (\$ billion)

Corporate	Industry	Public Sector	Retail	Total
7	180	51	252	490

Number of member accounts ('000)

Corporate	Industry	Public Sector	Retail	Total
16	445	150	743	1354

Average member account balance ('000)

Corporate	Industry	Public Sector	Retail	Total
480	405	339	339	362

Source: [Quarterly Superannuation Industry publication](#) | APRA

Annuity products formed only a small part of the overall number of members in superannuation retirement income products. There was \$501 million in retirement phase covering 6,000 accounts. There were a further 15,000 accounts in accumulation phase (presumably deferred annuities).

There were 328,422 SMSF members receiving income stream payments at an average of \$50,478 a year.

Across the various types of funds there was a total of 1,782,000 accounts in retirement phase, a very substantial and growing number.

The number of Australians with a substantial amount in a superannuation account at end of life

That Australians do not spend their super in retirement, and supposedly have more super and other financial assets when they die than when they retired, has become a trope in narratives about the strengths and weaknesses of the Australian superannuation system.

The claim is much repeated, but serial citations in various reports over a number of years do not necessarily sustain a claim. For instance, the Retirement Income Review in 2020 made a number of claims about superannuation balances at death, typically based on quite old academic research looking at people who mostly did not have superannuation and projections from a consultancy that no longer operates which have not lined up with actual outcomes and which started with assumed levels which were inconsistent with actual levels when the projections were made.

There also has been reference to superannuation fund experience which indicates that many of their retired members draw down at the minimum required rate. However, there is a strong survivorship bias in such estimates as they ignored the substantial proportion of retirees who have a mix of minimum drawdowns followed by a larger lump sum withdrawal leading to closure of their superannuation accounts. Superannuation fund level data does not tell you anything about people who no longer have a superannuation account.

As indicated by Table 11 below, which makes use of ASFA analysis of HILDA survey data for superannuation account holdings for 2018 and later waves for deaths, the majority of people who were sixty and over when they died had no superannuation.

Less than 10 per cent of individuals aged 80 and over had superannuation when they died. Only around 30 per cent of those aged 70 to 79 had superannuation when they died. These are age groups where deaths are most common. For those aged 60 and over, 52 per cent of deaths recorded in the HILDA survey were in regard to people aged 80 and over with around 82 per cent of deaths in regard to people aged 70 and over.

As well, it should be noted that even in regard to the relatively small proportion of fund members aged 70 and over who had superannuation when they died many of the benefits go to a spouse. According to a recent ASIC report which had data on death benefit claims paid by major superannuation funds, around 20 per cent of those aged

over 70 had reversionary arrangements in place. There also would be a substantial additional proportion of cases where benefits are paid to a spouse because of a member nomination or exercise of trustee discretion.

Table 12: Superannuation balances at death

	Age at death		
	60-69	70-79	80 and over
mean balance (\$)	59%	71%	91%
median	264,000	393,000	389,000
balance (\$)	90,000	349,000	130,000



The Association of Superannuation Funds of Australia Limited (ASFA)

PO Box 1485, Sydney NSW 2001

T +61 2 9264 9300 or 1800 812 798 (outside Sydney)

ABN 29 002 786 290

ACN 002 786 290

