

# Narrowing the retirement savings gap

Women have less retirement savings than men



On average:  
a woman retires with

**\$157,050**

a man retires with

**\$270,710<sup>1</sup>**

or **72%** more than women

## While more women than men retire with no super at all



of women retire with no super



of men retire with no super<sup>1</sup>

## Single women have more to consider

### 1 in 4 women

will have enough super to reach ASFA's 'Comfortable' standard for retirement income,

**\$545,000<sup>2</sup>**

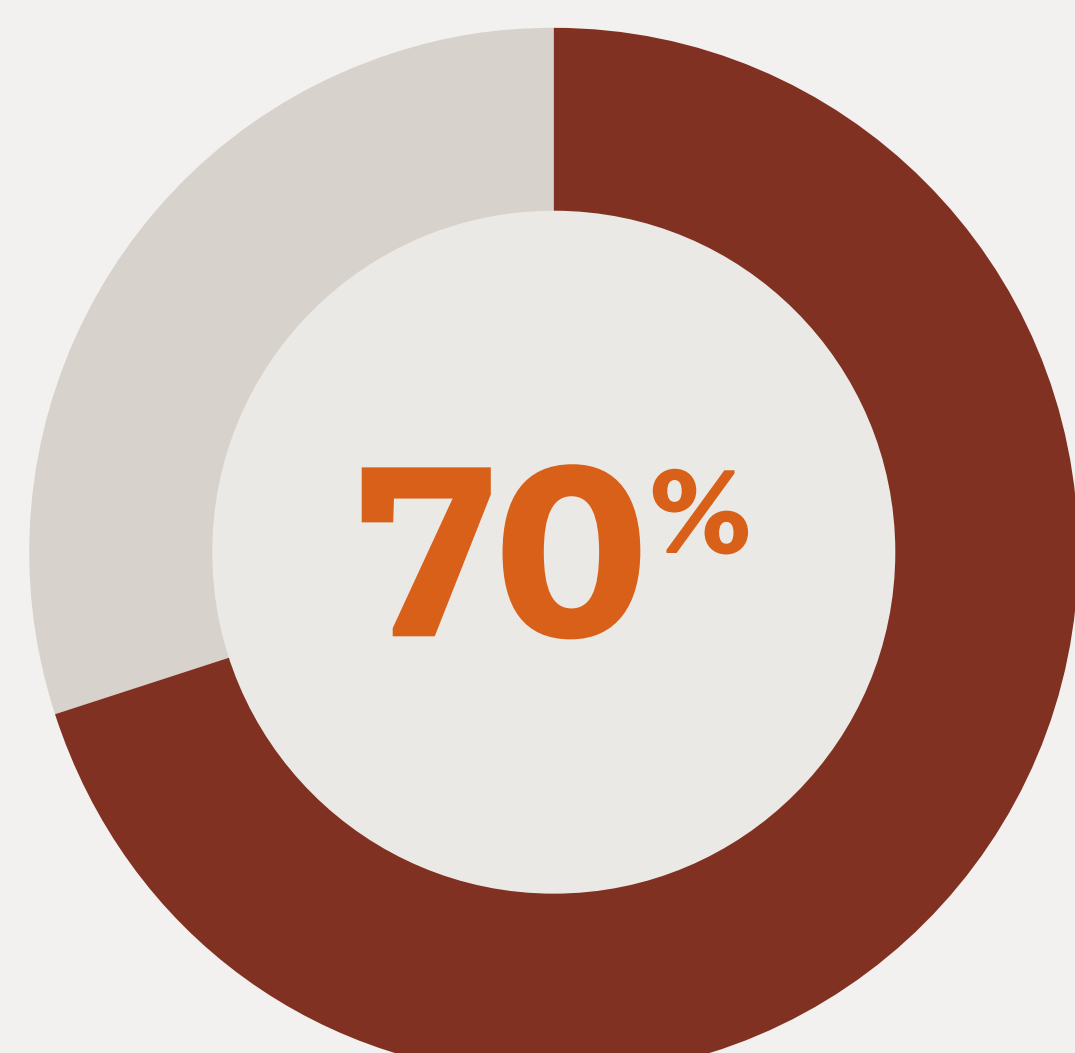


Single females super component of retirement income is

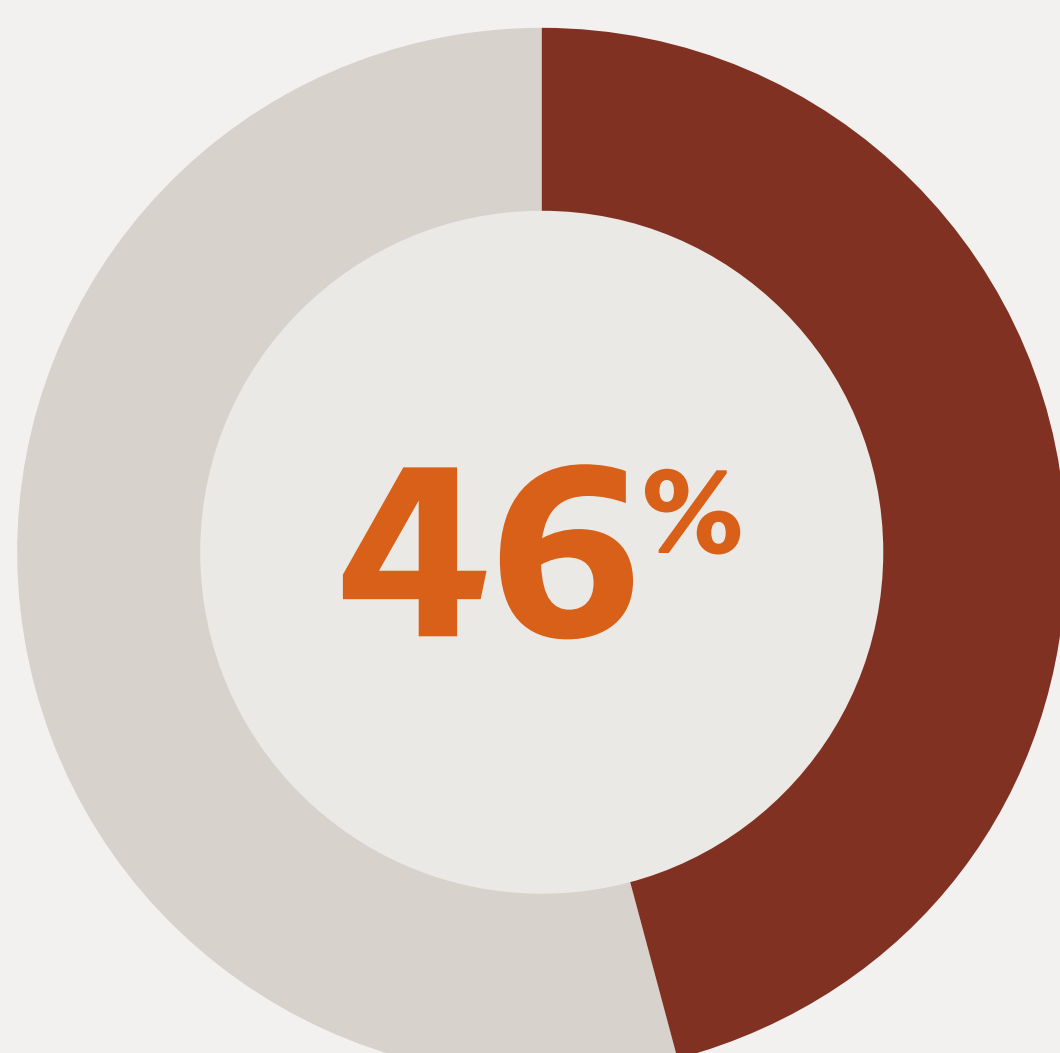
**32%<sup>3</sup>**

lower than single males

## It's not just the gender pay gap



of primary carers for aging parents are women<sup>4</sup>



of women are working part-time<sup>5</sup>

*Plus, women live longer than men!*

## Three women, three super balances

Let's look at three different women, aged 32-42 and see how taking a break to care for children and working flexibly impacts their retirement savings.<sup>6</sup>

**Retirement age: 67**



Female taking a 10 year break from the workplace to look after children full time;

**Balance at retirement = \$462,196**

**Life expectancy: 87\***

**Savings run out: age 80 approx (7 years early)**



Female working flexibly for 10 years, for the equivalent of 3 days a week;

**Balance at retirement = \$558,034**

**Life expectancy: 87\***

**Savings run out: age 83 approx (4 years early)**



Not taking any time-out.

**Balance at retirement = \$640,756**

**Life expectancy: 87\***

**Savings run out: age 87 approx (savings last to life expectancy)**

<sup>1</sup> 'Superannuation account balances by age and gender', Association of Superannuation Funds of Australia, October 2017

<sup>2</sup> 'ASFA Retirement Standard', Association of Superannuation Funds of Australia – June quarter 2017

<sup>3</sup> 'The need to look deeper on the gender gap', Willis Towers Watson, 2016

<sup>4</sup> Australian Bureau of Statistics, Caring in the Community, Australia, Catalogue no. 4436.0 (2012), p5.

<sup>5</sup> Workplace gender equality agency, February 2017: ABS (2017), Labour Force, Australia, January 2017, cat. no. 6202.0

<sup>6</sup> Source: NAB Asset Management Services Limited. For illustrative purposes only. Amounts are shown in today's dollars: the person starts working at age 22 and retires at 67. Initial salary \$50,000 pa, 1% salary increase pa. Salary increases during the time off work. 9.5% pa of salary contributed to super. Retirement income is \$47,000 pa. The assumed fund average return is 4.5% pa. When on leave for 10 years, no super is contributed. When working flexibly, salary is calculated at 60%, during ages 32-42. No Age Pension received. Insurance premiums haven't been taken into account, super taxes have. Other investments are not taken into account. Do not rely on this chart to make decisions about your retirement.

\* The life expectancy of a 67 year old woman today is 87 years. Source: Based on Australian Bureau of Statistics data, Life Tables, States, Territories and Australia, 2014-2016. Catalogue no. 3302.0.55.001

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