



MEDIA RELEASE

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Many women “scared” or “sad” by the thought of retirement

Nearly a quarter of women feel “sad” or “scared” when they think about retirement, according to a new survey by one of Australia’s biggest superannuation businesses, Sunsuper.

The survey, which canvassed the views of more than 1500 Australians about a range of issues related to superannuation, found that while most respondents said the thought of retirement gave them feelings of “freedom” or “relief”, there were a significant proportion of women who felt anxious or frightened by the prospect.

Sunsuper’s national head of retail distribution Anne Fuchs said the results could be directly attributed to many women anticipating they would not have enough to fund their retirement.

“Fifty-five per cent of the men surveyed said they would have enough money to fund retirement either through their own super, or a mix of their super and the age pension, but it was different for women, with more than 60 per cent stating they believed they wouldn’t have enough, or had no idea how much they’d need.

“What’s more, most respondents didn’t know how big the gender imbalance was when it came to super, with only 18 per cent correctly reflecting ASFA data* that showed the average woman would retire with a balance of around only half that of her male peers,” Ms Fuchs said.

“Many respondents were also wrong about working women continuing to receive super contributions while on maternity leave with only 13 per cent correctly stating that most don’t.

“Additionally, when respondents were asked whether women should be paid a higher rate of super to close the gap, they were almost equally split between yes and no - although almost double the number of men voted no (63 per cent) in comparison to the number of women (37 per cent).

Ms Fuchs said there seemed to be a significant disconnect between the masses of information being pushed to women about super and what Australians understand about the reality of their financial adequacy at retirement.

“There is a lot of information about women’s lack of financial preparedness for retirement, but if the statistics from our survey are anything to go by, these messages are being well and truly lost,” she said.

“There appears to be a serious divide between the way the financial services industry insists on framing the discussion around women and super, and what needs to happen in



terms of generating meaningful conversations that can make real and practical differences to the lives of women in retirement.”

Ms Fuchs said Sunsuper had recently entered a partnership with one of the world’s most powerful and inspirational women, Oprah Winfrey, to help elevate the conversation and raise the profile of the specific and unique challenges women face when it comes to their superannuation and finances.

The national *An Evening with Oprah* tour begins on December 2 in Melbourne.

Sunsuper has more than one million members and \$32 billion in funds under management.

Key Sunsuper statistics

- When asked how the word retirement made them feel, most of the women surveyed (45 per cent) said they felt “freedom” or “relief, 31% “happy” and “excited”, but 24 per cent said they felt “scared” or “sad”.
- Only 18% of women think they’ll have enough super to fund their retirement, compared to 26% of men. 22% of women said they would be alright with their super and the age pension in comparison to 29% of men. More women (18%) than men (15%) think they’ll have to rely solely on the age pension. And more women (42%) than men (31%) said they didn’t know how much they’d need.
- 82% of those surveyed thought the gap between women’s super balances and that of their males peers at retirement was less than is reflected in recent data*. The biggest number of respondents - 25% - thought women would have 20% less in their super as opposed to around 50%.
- 49% of respondents said women should not be paid extra in super to close the gender imbalance at retirement.
- 68% of respondents do not know whether women received super contributions from their employers while on maternity leave. 19% incorrectly believe women do get paid super by their employers while on maternity leave.

*The average woman will have around 47 per cent less than a male peer at retirement - ASFA, *An update on the level and distribution of retirement savings*, March 2014

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