

Media Release

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Challenging the inequity of retirement

- *Almost 3 in 4 Australians believe improving access to childcare or reducing the cost of childcare would improve the retirement outcomes for women*
- *More than 1 in 2 women believe they will not have enough money to retire when they want to and have a comfortable retirement*
- *More than 1 in 4 women worry they will have nowhere to live during retirement.*

As we prepare to mark International Women's Day, themed #ChooseToChallenge, new research undertaken by Aware Super has revealed four in every five Australian women expect they will need to rely on the age pension when they retire.

By comparison, 60% of Australian men believe they will have enough money to be comfortable in their retirement.

The research also reveals that 63% of women worry that they will run out of money during their retirement, with nearly 40% believing they will need to rely on family to help out with the shortfall if they do run out of money.

Interestingly, 74% of Australians believe that by improving access to childcare or reducing the cost of childcare would improve the retirement outcomes for women.

Calling out gender bias and inequity was also evident in the research revealing more than 55% of Australians believe reducing the wage gap and 45% believe paying super on maternity leave, will improve retirement outcomes for women.

Aware Super Chief Executive Officer and Workplace Gender Equality Agency Pay Equity Ambassador, Deanne Stewart, said that it was an uncomfortable reality that Australian women faced greater economic uncertainty in retirement, however the more this inequity was challenged, the greater the opportunity women had to prepare for the retirement they deserved.

'More than two-thirds of Aware Super members are female and every day we see the very real long-term impact of the current gender pay gap, and more time spent out of the paid workforce in a caring capacity, has on their long-term financial security. Too many women lose out on the benefits of compound interest on their super balances throughout their younger years which can have a profound impact on the quality of their retirement,' Ms Stewart said.

'Although there has been genuine progress in closing the gender pay gap, with women still retiring with more than 40% less super than men, it is important that as leaders, we pave the way for long-term and lasting change.

'Challenging inequity is the right thing to do and makes good business sense. As we mark International Women's Day all of us must challenge ourselves to do better and remove the structural barriers that result in so many Australian women fearing for their financial future.

'It starts at the workplace, by creating genuinely inclusive work environments that not only increase productivity and organisational wellbeing, but also support all employees to take advantage of workplace flexibility and share caring and other responsibilities at home.

'It is also critical that we provide the right education and advice to empower Australians, particularly women, to prepare for their long-term financial future.

'We can no longer put these issues in the too hard basket. Facing up to these challenges now is imperative for future generations and our ongoing economic prosperity,' Ms Stewart said.

- Ends -

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Note to Editors:

Previously known as First State Super we changed our name to **Aware Super** in September 2020.

Aware Super is a name that reflects our members and what we stand for. It echoes the strengths of our past, aligning to our purpose to be a force for good in superannuation, retirement, and advice, driving better outcomes for our members, their families, and communities.

First State Super's been the fund for people who value community since 1992, we're now one of Australia's largest funds and we're continuing to grow. We merged with VicSuper and WA Super last year and now manage nearly \$140 billion in savings for more than 1 million members located across the country.

Our members work in roles that breathe life into their communities and they expect us to do the same. So, we invest in assets that we believe will make a positive difference today - improving our communities, building a more a sustainable economy and supporting employment both locally and globally at the same time as providing strong long-term returns.

Discover how we're helping members do well financially while doing good in the world: Visit aware.com.au.