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SUPER  
MEMBERS  
COUNCIL

# The power of super: Building wealth for everyday Australians

Super in the economy report series





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## About the Super Members Council

We're a strong voice advocating for the interests of 12.5 million Australians with over \$1.9 trillion in retirement savings managed by profit-to-member super funds. Our purpose is to protect and advance the interests of super fund members throughout their lives, advocating on their behalf to ensure super policy is stable, effective, and equitable. We produce rigorous research and analysis and work with Parliamentarians and policy makers across the full breadth of Parliament.



## Executive summary

Over the past two decades, middle Australia has seen the biggest relative growth in its overall wealth than in any previous era in our country's history. This is in part because millions of everyday Australians are now major shareholders in the success of our national economy via their super.

Today, Australians hold an ownership stake and profit share in large-scale investment assets including airports, seaports, electricity distributors, toll roads and data centres - as well as owning shares in Australian companies. In retirement, this means middle Australia is on track to have much higher living standards, stronger financial security, and more flexibility and choices than any past generation.

This report explores in more detail the role of super in our national story of individual and collective wealth creation, including the following key insights:

- From 2002 to 2022, non-housing wealth levels, in wage-adjusted terms, have nearly tripled for middle Australians who are recently retired (a 196% increase), and a five-fold increase in super has been the main driver of this rising prosperity.
- Super has broadened household portfolios beyond real estate and cash and allowed everyday Australians - not just the wealthy - to share in the income generated by leading companies and assets.
- Through their super funds, Australians with super have a stake in many of Australia's strategic property and infrastructure assets.
- As the size of Australia's superannuation pool of capital has grown, super funds have scoured the globe to ensure everyday Australians have access to the best investments worldwide, so Australians now own over \$1.35 trillion of global assets via their super.
- Households now hold a greater share of their wealth in super, rather than solely in housing. This means they are better protected against volatility and downturns in the housing market and benefit from stronger returns, as super funds consistently outperform growth in home values.
- In an era of low wage growth, super has given millions of everyday Australians access to capital growth - which has accelerated wealth accumulation at over twice the rate of wage growth.
- This rising wealth leads to more money in retirement - the median super balance of Australians nearing retirement is now around \$208,000 (women \$179,000, men \$241,000) - which supports a higher level of regular income for retirees.
- Treasury projects the median super balance at retirement will rise to \$460,000 in wage-adjusted terms in 2060-61.
- Profit-to-member super funds have long outperformed other types of funds over decades. This has been achieved by leveraging scale to keep fees low, and by investing strategically, particularly in unlisted assets that can offer their members higher returns at relatively low risk and diversify a portfolio alongside traditional assets such as listed equities and bonds.
- Successive Australian Governments have strengthened the super system so that Australians retire with more income. Safeguarding these achievements is crucial to ensure the benefits are not lost and we keep that promise strong for generations to come.
- Any adverse policy changes that erode safeguards on people's super - such as allowing early withdrawals - would just make Australians poorer in retirement and undermine the strength and success of super for all retirees. It could also negatively impact the super sector's contribution to financial stability in Australia's economy.



# 1. Introduction

Everyday Australians' super savings are now significantly growing their household wealth while also powering our economy. This money is providing capital for Australian businesses, creating jobs, growing our national savings pool, and contributing to financial stability in our economy.

Squarely aligned to its purpose - after all, super has one job - Australians' super investments are generating returns that will deliver them more wealth, freedom and security in retirement. The better their long-term investments perform, the more their super funds can re-invest back into productive assets, leading to even greater compounding returns for Australians.

This virtuous circle of individual wealth creation and economic expansion has come a long way.

Before 1992 (prior to the introduction of compulsory super) most Australian workers relied only on the growth of their wage to build wealth. Fast forward to today, and around 90% of Australian employees have super. They are major shareholders in global businesses and national infrastructure assets. Their wealth is no longer concentrated in their home and their wages. It is diversified into investments that were once only accessible to the very rich and sovereign wealth funds. Seaports, airports, electricity distributors, toll roads, data centres and wind farms are just some of the large-scale investment assets that Australians own a share of through their super. By pooling their savings, working Australians now get access to the very best global investment deals. No deal is too big.

This has led to a dramatic growth in wealth for middle Australians who are recent retirees compared to two decades ago. From 2002 to 2022, in wage-adjusted terms, non-housing wealth levels have nearly tripled for these retirees (a 196% increase); and a five-fold increase in super has been the main driver.

Super has been shown to consistently outperform growth in home values and, when compared to other collective investment vehicles in Australia, has lower total fees and costs.

Rising wealth in super means higher living standards, stronger financial security, and more flexibility in retirement. The median super balance of Australians nearing retirement is now around \$208,000 (women \$179,000, men \$241,000). The total combined value of Australians' annual super retirement benefits including lump sums and income streams currently sits at over \$190 billion<sup>1</sup> - this outweighs age pension payments by a factor of more than two-and-a-half to one.

And this, at its core, is what super is about: delivering more income for Australians to enable a dignified retirement.

This report explores in more detail this story of individual wealth creation. It is in four parts:



**1. How super diversifies and builds household wealth through owning the best companies and infrastructure** - Household wealth has changed significantly since the introduction of the Super Guarantee. Through super, everyone shares in the income generated by Australian and global businesses and investments, not just the wealthy.



**2. How super has built wealth when wage growth has stagnated** - Over the last decade, wages growth in Australia has been low but exposure to capital growth through super has helped to moderate wealth inequality and ensure members continue to build their wealth.



**3. How an innovative and low-cost investment approach has delivered strong returns** - Important differences between the investment approach of different types of super funds have a material effect on Australians' wealth in retirement. Profit-to-member super funds outperform by leveraging scale to keep fees low and pursue long-term strategies to maximise risk-adjusted returns to deliver more money to their members.



**4. Protecting the promise of super** - Successive Australian Governments have strengthened the system so Australians retire with more income, freedom and security. Safeguarding these protections is crucial to ensure we keep that promise strong for the generations to come.

<sup>1</sup> APRA Annual Superannuation Bulletin 2025, figures as reported (no adjustments for AWE).



This report is the first in a series of Super Members Council reports on ***Super in the Economy***. In future reports, we will look further at the role of super as an economic engine for the Australian economy, and how Australians are spending their super nest eggs in retirement.





## 2. Diversifying and building household wealth through owning shares in the best companies and infrastructure

### A tripling of wealth for middle Australians who are recent retirees

Before the introduction of compulsory super in 1992, the financial position of most Australians was quite different from today. Working Australians and their families aspired to own a house. Savings were modest: a little cash in the bank, perhaps a term deposit, and for some, a small amount of shares.

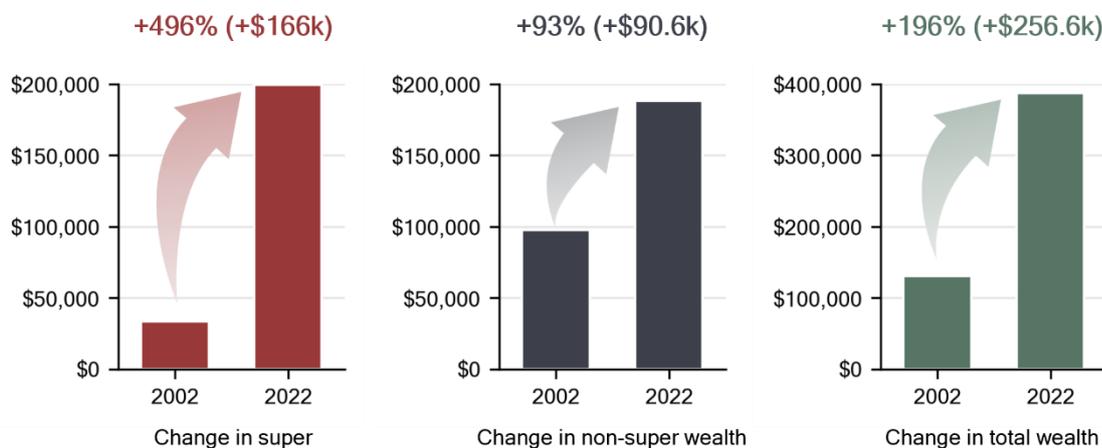
Fast forward to today and the picture has changed dramatically. While wealth remains skewed, the value and structure of household wealth has changed significantly since the introduction of the Super Guarantee. Through super, everyone shares in the income generated by Australian and global businesses and investments, not just the wealthy.

Due to its scale and long-term investment timeframes, super has been able to deliver strong investment returns for everyday Australians, create new jobs and build new houses for Australians to buy.

By pooling members' money, and carefully investing for the long term, super funds enable working Australians to build bigger super balances for retirement while minimising investment risks. Australians now have their wealth diversified across the globe and across a range of asset classes including listed and unlisted companies, infrastructure and commercial property.

This has led to a dramatic increase in wealth for middle Australians who are recent retirees compared to two decades ago. From 2002 to 2022, non-housing wealth levels have nearly tripled for these retirees in wage-adjusted terms (a 196% increase) - a five-fold increase in super has been the main driver (Figure 1).

**Figure 1: Average wealth of recent retirees, middle-wealth distribution, 2002-2022**



**Source:** SMC 2025, Retirement revolution: Super's coming of age, p. 14

**Note:** Chart represents the third quintile of recent retirees. Owner-occupied property is excluded from wealth. Values are adjusted to 2025 dollars using AWE.

### Household wealth is now spread across more asset classes

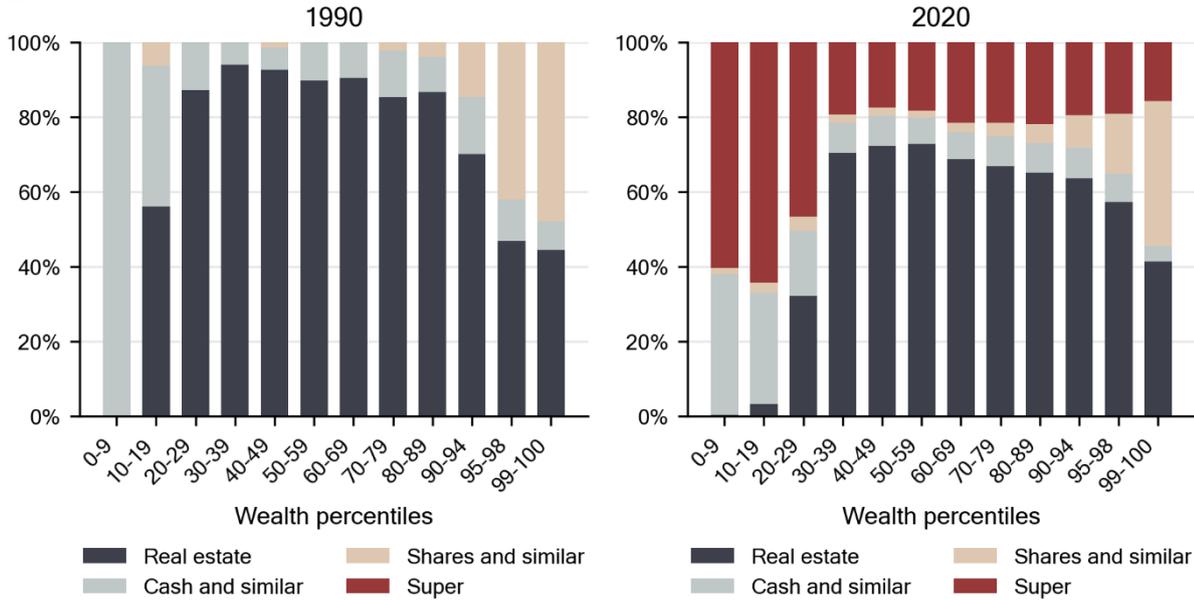
Figure 2 highlights how, proportionally, household wealth has evolved since the introduction of super. In 1990, most families held their wealth in cash deposits and real estate - typically just the family home. Only the wealthiest 10% had significant exposure to other financial assets, such as shares in listed companies.

Three decades on, the picture is far more diverse. Despite dramatic growth in property values, households across the wealth spectrum now hold a broader mix of financial assets, although direct share ownership remains concentrated among the wealthy.

Super has not only increased wealth but transformed household portfolios, diversifying more Australians' investments across shares, bonds, and commercial property.



**Figure 2: Household wealth distribution, before and after the introduction of the Super Guarantee**



Source: ABS, IDS microdata (cited in Bacon 1995 - RIM Group Treasury); ABS, 2019-20 Survey of Income and Housing

### Holding assets in super as well as housing reduces risk and builds wealth

Home ownership has long been a key aspiration for Australians, and that remains true today. However, households in the lower and middle wealth brackets now hold a greater share of their wealth in super assets, rather than only in housing. This shift means they are better protected against volatility and downturns in the housing market. They are also benefiting from stronger returns, as super consistently outperforms both growth in home values and typical mortgage rates. As Figure 3 illustrates, profit-to-member super funds have delivered higher returns than housing in Australia's major capital cities over the past 5, 10, and 20 years.

**Figure 3: Annualised and cumulative returns to 2025**



Source: SMC Analysis, APRA Quarterly Superannuation Statistics September 2025, ABS Cat.6432, RBA.

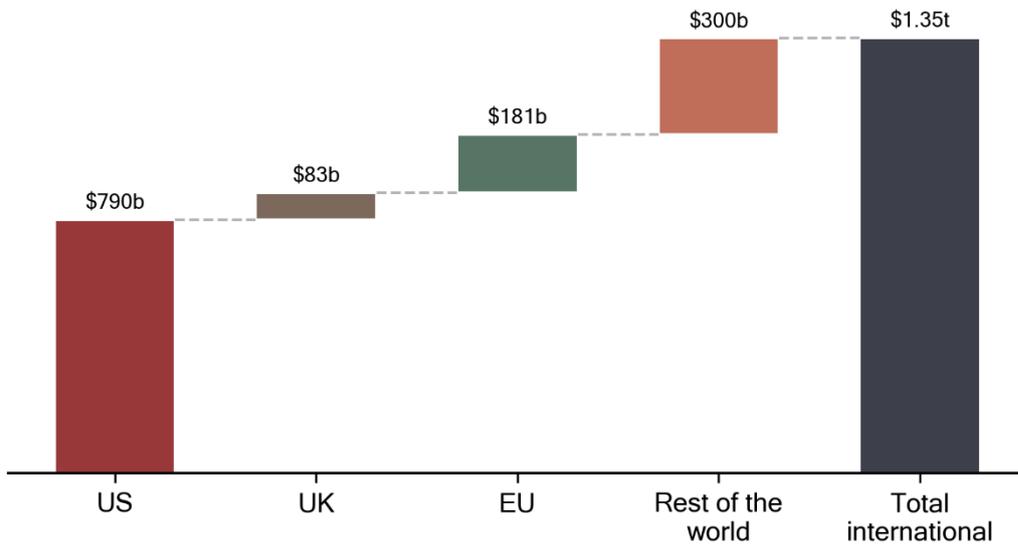
Note: Property value indices based on established and attached dwelling median prices weighted by transfer volume. 5-Cities refers to Sydney, Melbourne, Brisbane, Perth and Adelaide. Residential price returns reflect gross capital price increases, without rental income, before taxes and fees. ABS median price statistics contain preliminary figures subject to revisions. Interest rate on mortgage averaged over selected periods.



## Through super Australians now own assets around the globe

Household wealth is now diversified beyond our shores, enabling households to capture the benefits of the best global investment opportunities. As the size of Australia’s superannuation pool of capital has grown, Australian super funds have steadily expanded their international allocations to help diversify risk and capture strong returns. Total international investments have more than doubled since 2015 with Australians, through their super, now owning investments across the globe with a total value of over \$1.35 trillion.

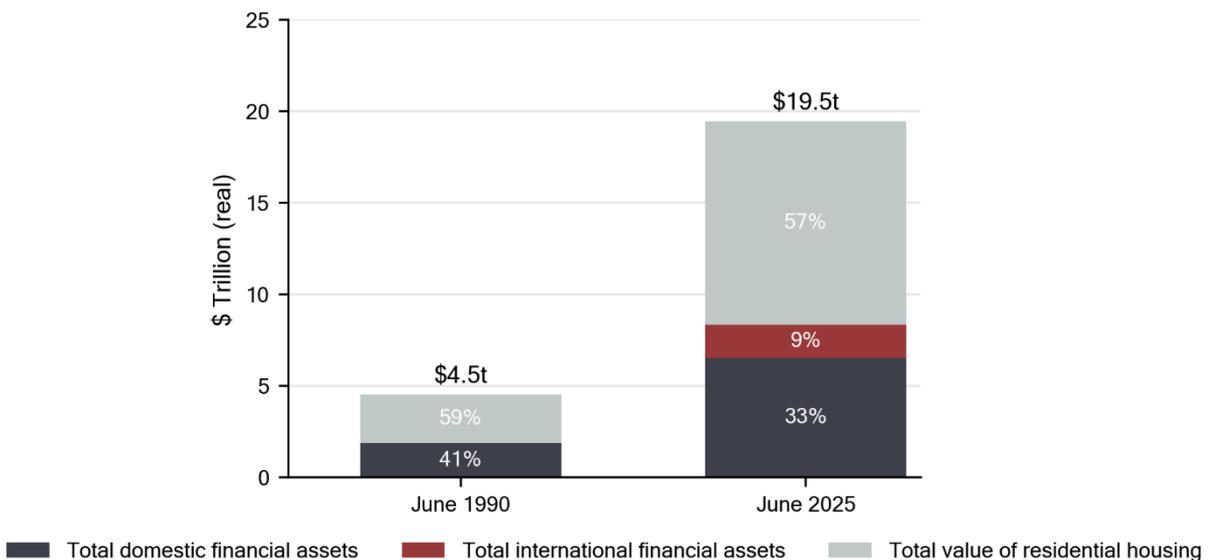
**Figure 4: Australian super fund investments in international markets by destination 2025**



Source: Mandala Analysis (2025)

While the relative proportion of money invested overseas has increased, this has not come at the expense of investments in Australia, with the overall pool of money invested growing simultaneously. Household investments in Australian assets (including property, shares and other financial assets) have grown by \$13.1 trillion from 1990 to 2025, while household investments in international assets (mainly through super) have grown by \$1.8 trillion in that time (Figure 5).

**Figure 5: Composition of household assets - domestic v international exposure**



Source: SMC Analysis, APRA Quarterly Industry Publication June 2025, ATO - SMSF Quarterly statistical report - June 2025, ABS Cat.5204.0, ABS Cat.5232.0, ABS Cat.6432.0, ABS Cat.6302.0, ABS SIH 1990, Fox and Tulip (2014).

Note: Asset values in real terms (adjusted to June 2025 dollars via AWE). Not included in the graph for June 1990 is total international financial assets forming around 0.1% of total household assets.



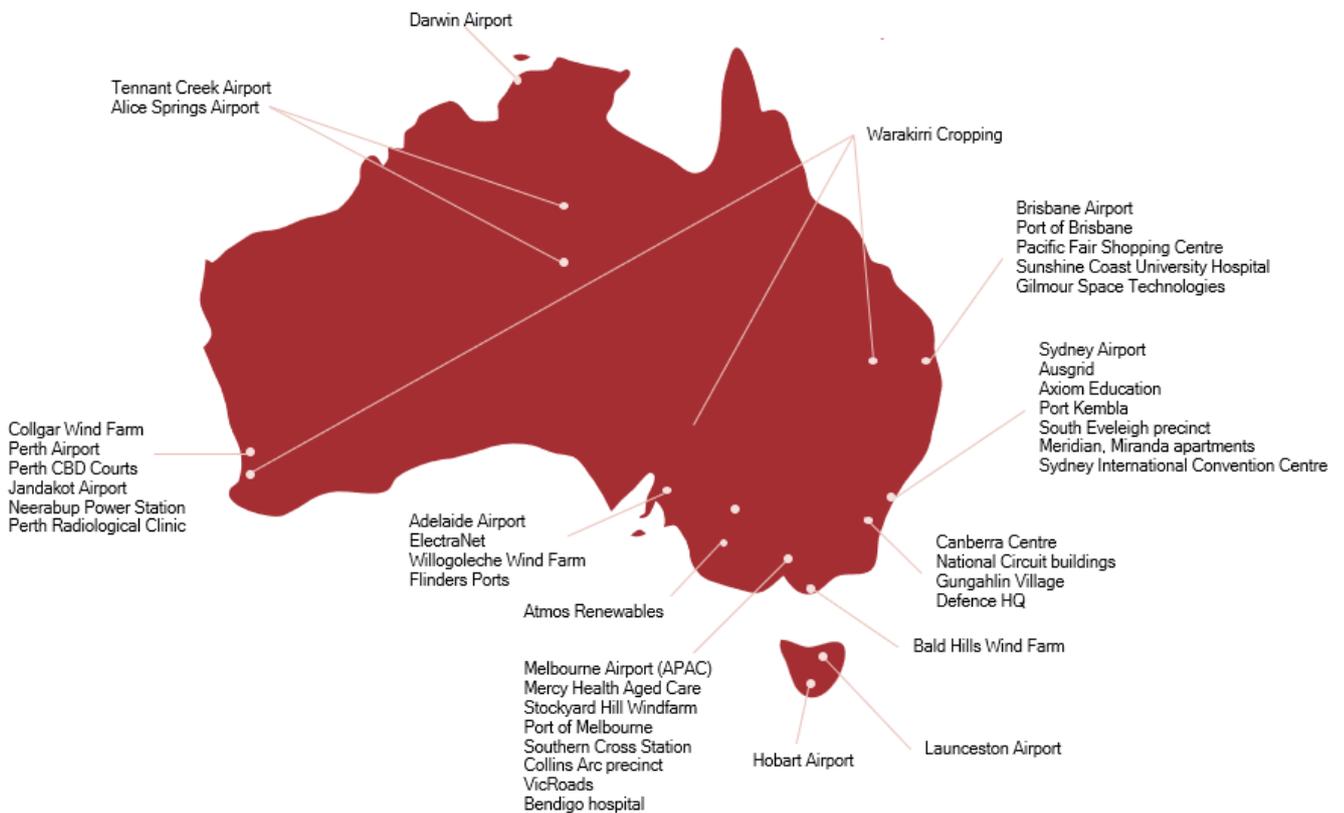
## Owning a share of infrastructure assets and private companies

The size, scale and professional approach of well-run super funds enable investments in stable and profitable long-term assets that are not always listed on a stock exchange. Access to these deals usually requires a large investment and so is out of reach for most individual investors. By pooling their savings through super, Australians can take advantage of opportunities anywhere in the world. They can invest across a range of assets, including major infrastructure.

Infrastructure investments are well suited to the long-term investment horizon of super funds. These large, longer-term investments have historically generated higher risk-adjusted returns than similar listed assets (often referred to as an 'illiquidity premium', outlined further in section 4).

Through their super funds, everyday working Australians now own a stake in many of Australia's key strategic property and infrastructure assets, including seaports, airports, electricity distributors, toll roads, train stations, shopping centres, police stations, law courts, commercial office buildings, logistics and warehousing, residential aged care facilities and schools (Figure 6).

**Figure 6: Selection of Australian assets owned by members of profit-to-member super funds, 2025**



Case studies showcase the diverse investments that Australians can benefit from through their profit-to-member super funds.



## CASE STUDY 1

### Investing in affordable housing for essential workers

Brunswick & Co is a landmark build-to-rent development in the heart of Brisbane's Fortitude Valley. Due for completion in early 2026, it will be one of the city's largest purpose-built rental properties, featuring 366 premium apartments and extensive retail and shared community spaces. Residents will enjoy a rooftop pool, gym, co-working spaces and even a rooftop dog park.

Importantly, 144 of the apartments will be offered at reduced rent to essential workers like teachers, nurses and police officers. Brunswick & Co is part of Aware Super's diversified property portfolio, which spans office, retail, industrial and retirement living across Australia and globally. Aware Super's investment in Australia's build-to-rent sector is helping increase housing supply in our largest cities, while similar investments in the UK and Spain are boosting supply there. Aware Super's \$12b property investments play a key role in delivering strong, long-term returns to its members.



## CASE STUDY 2

### Reaping the rewards of stable, sustainable agriculture

Warakirri Cropping owns and operates 155,000 hectares across 11 large-scale and highly productive farms in four states and has a production capacity of approximately 400,000 tonnes of grain a year, making it one of Australia's largest grain growers.

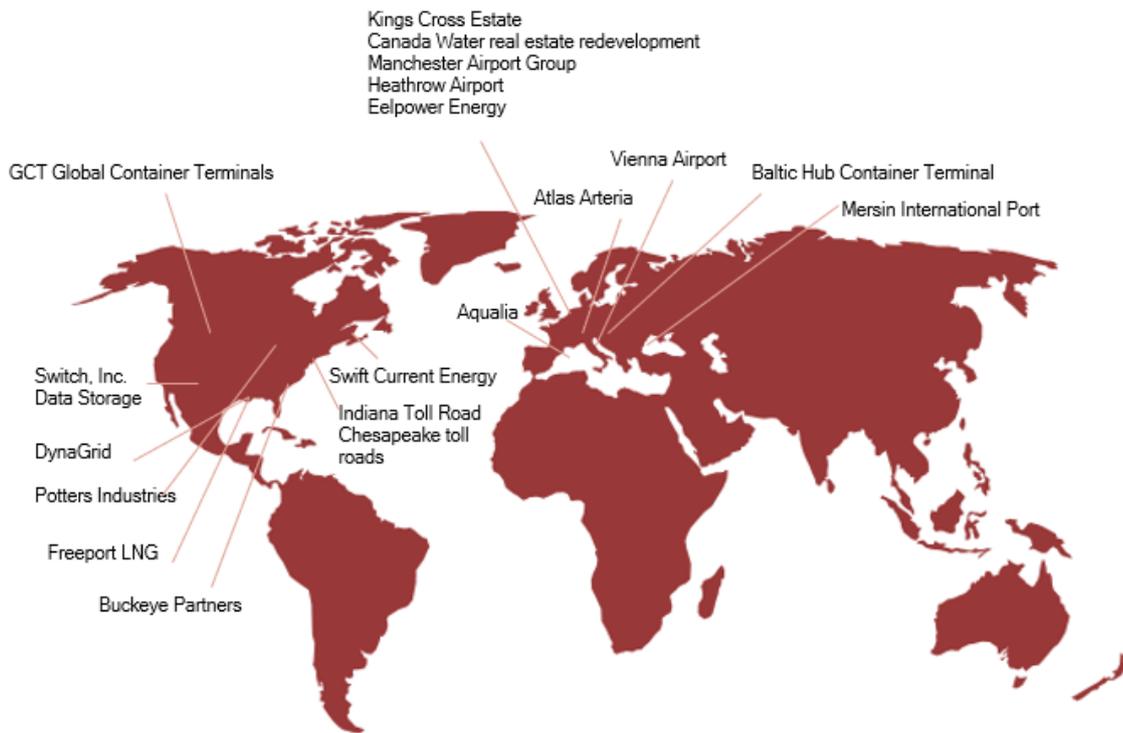
Rest Super has been the sole investor in the company since 1996. Rest invests in agriculture because it offers an opportunity for long-term investment returns and can provide portfolio stability when markets are volatile. Agricultural assets are not usually traded like shares on a stock exchange. This can make them harder to buy and sell than shares, but it can also make their value more stable, because agricultural assets tend to not be subject to the same ups and downs as share markets.





Globally, the picture is similar with Australians with super owning a stake in projects supporting the US and Europe's energy transition, digital infrastructure and transport renewal, including through significant allocations into renewable energy, airports, transport and energy projects (Figure 7).

**Figure 7: Selection of assets owned by members of profit-to-member super funds, 2025**



### CASE STUDY 3

#### Renewable energy partnership between Swift Current Energy and Chicago

Swift Current Energy (Swift), which forms part of the global infrastructure portfolio managed by IFM Investors, is a utility-scale renewable energy company developing and operating a range of low-carbon energy technologies across the United States. Swift has had success partnering with city governments to help meet both their sustainability goals and power needs.

In December 2024, Swift achieved commercial operations on the Double Black Diamond solar farm in Illinois – the largest solar farm in the Eastern United States. With a capacity of c.600 megawatts of alternating current power output, the solar farm is expected to power the equivalent of over 100,000 homes annually.<sup>2</sup>

The project was made possible through a partnership with the City of Chicago. Starting January 1, 2025, the City has sourced renewable energy from the project to power municipal facilities, including O'Hare and Midway airports. Under the power purchase agreement, approximately 70% of the electricity used for city operations will be sourced from the Project,<sup>3</sup> supporting the City of Chicago's aspirations to power its municipal operations through clean energy.<sup>4</sup>

The project exemplifies the strong partnership between Swift, its projects, and local communities. Beyond delivering renewable, carbon-free energy to the City of Chicago and its municipal facilities, Swift collaborated closely with local unions to create apprenticeship programs that build long-term workforce skills.<sup>5</sup> The project also prioritized domestic sourcing, procuring most equipment from manufacturing facilities in nearby states. Over its lifetime, the Double Black Diamond solar farm is expected to generate approximately \$100 million in revenue for local counties, providing critical funding for schools and community services.<sup>6</sup>

<sup>2</sup> Swift Current Energy (2025), [Swift Current Energy Announces Energization of Landmark 800 MW Solar Facility in Illinois with American-Made Equipment](#)

<sup>3</sup> *ibid.*

<sup>4</sup> City of Chicago Office of the Mayor (2025), [Mayor Brandon Johnson Announces 100% Renewable Energy Milestone For City of Chicago](#)

<sup>5</sup> McCarthy (2023), [Swift Current Energy Ramps Up Construction of 800 MW Double Black Diamond Solar Project With McCarthy](#)

<sup>6</sup> Swift Current Energy (2025), (n2)

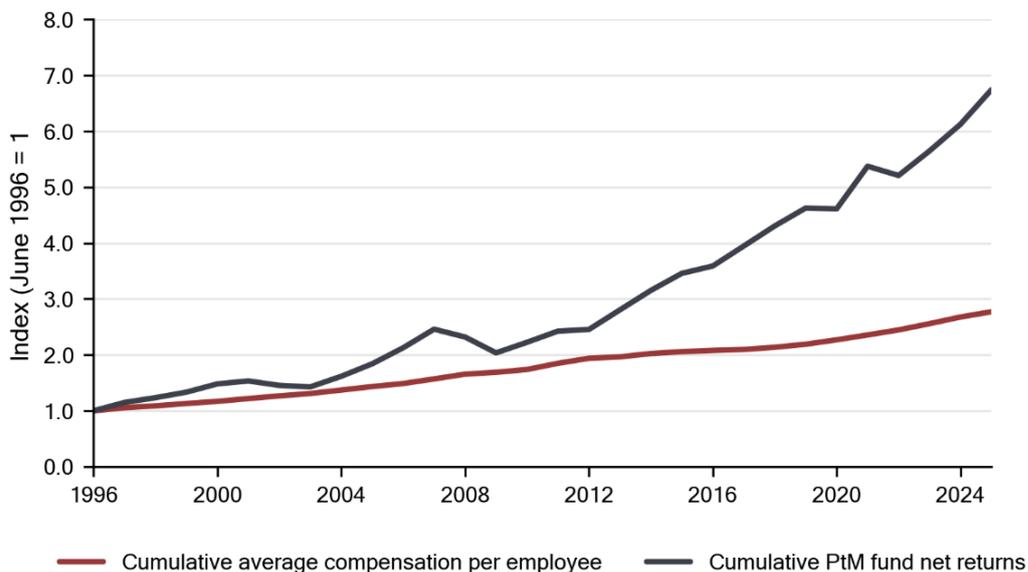


### 3. Building Australians' wealth through super, not just wages

Over the last decade, wages growth in Australia has been low, making it harder for workers to keep up with the cost of living and get ahead. But exposure to capital growth through super has helped moderate wealth inequality and build Australians' wealth through super as well as through their wages.

Figure 8 shows that, over the long run, net returns on super in profit-to-member funds have outstripped wage growth by over two-fold. Exposure to capital growth through super funds has helped members to continue building their wealth for retirement, particularly in the last ten years.

**Figure 8: Profit-to-member net returns vs employee compensation, 1996-2025**



**Source:** SMC Analysis, APRA Insight - Celebrating 10 years of superannuation data collections 1996-2006; APRA Annual Bulletin (legacy publications). APRA Quarterly Performance Statistics June 2025. ABS Cat.5204.

#### Increasing wealth through super means higher retirement incomes

Increasing wealth means higher living standards, stronger financial security, and more flexibility in retirement. The median super balance of Australians nearing retirement is now around \$208,000 (women \$179,000, men \$241,000)<sup>7</sup>. The total combined value of Australians' annual super retirement benefits including lump sums and income streams currently sits at over \$190 billion<sup>8</sup> - this outweighs age pension payments by a factor of more than two-and-a-half to one.

As super balances grow, recent research by SMC reveals incomes of new retirees are growing rapidly and is eclipsing growth in average wages in the economy<sup>9</sup>. Although retirees in the poorest 20% of the wealth distribution remain largely reliant on government income support, and those in the top 20% continue to enjoy high incomes from super and other non-government sources, there has been significant growth in super among middle-income wage earners.

As Figure 9 shows, the amount of income delivered from super has more than doubled (increased by 117%) on average in wage-adjusted terms for recent retirees who sit in the middle when it comes to wealth, to \$740 per week when compared to 2002.

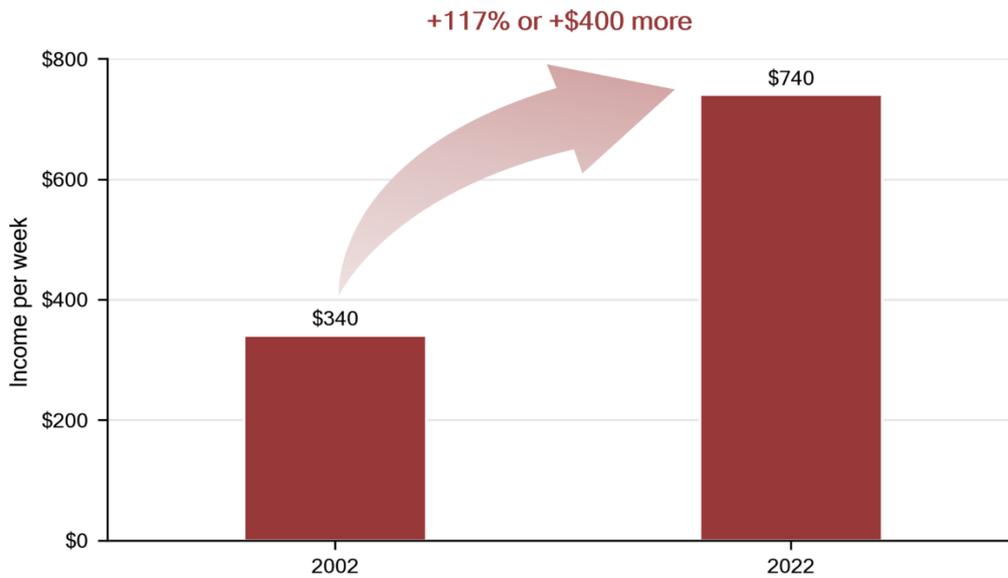
<sup>7</sup> ATO Taxation Statistics 2022-23, adjusted to 2025 dollars with AWE.

<sup>8</sup> APRA Annual Superannuation Bulletin 2025.

<sup>9</sup> SMC (2025), [Retirement revolution: Super's coming of age](#)



Figure 9: Income provided by super, middle Australians by wealth, 2002 vs 2022



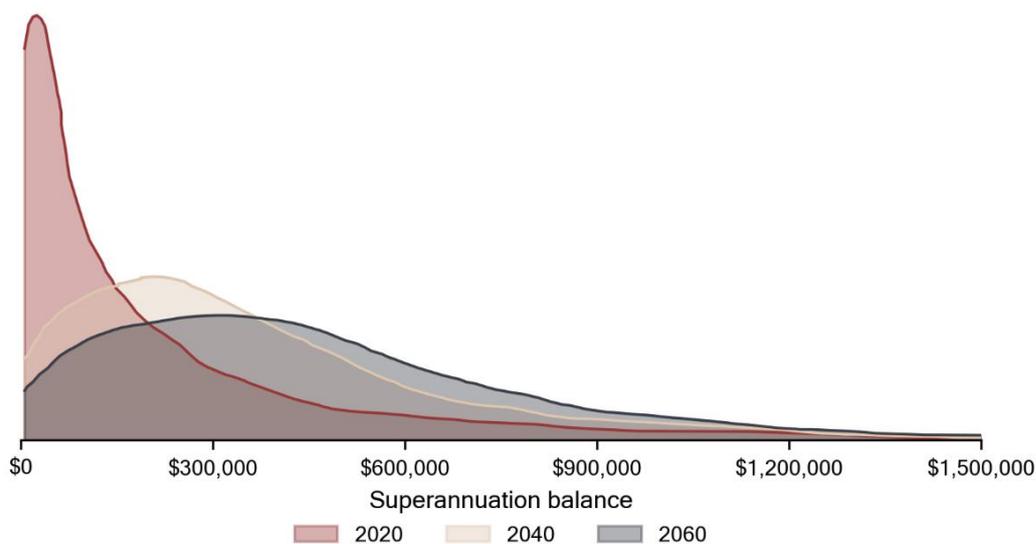
Source: SMC 2025, Retirement revolution: Super's coming of age, p. 17

Note: Chart represents the third quintile of recent retirees. Values are adjusted to 2025 dollars using AWE.

Retirement balances and incomes will continue to grow as the super system approaches maturity. Treasury projects the median super balance at retirement will rise from about \$125,000 in 2020-21 to \$460,000 in 2060-61.<sup>10</sup> Over the 40-year period, the share of people with retirement balances below \$250,000 is expected to fall from 68% to 24%, while the share with balances of \$500,000 or more is expected to increase from 17% to 45% (Figure 10).

*From 2020-21 to 2060-61, the share of people with retirement balances of \$500,000 or more is expected to increase from 17% to 45%*

Figure 10: Projected distribution of super balances at retirement



Source: Retirement Income Review, 2020, p 246.

<sup>10</sup> Australian Treasury (2021), Intergenerational Report. Figures are in wage-adjusted 2020-21 terms.



## Super delivering billions in retirement incomes for Australian retirees

With most of the Baby Boomer generation now in retirement, unprecedented levels of super are delivering retirement incomes for Australian retirees. Across the system, super benefits reached \$191.6 billion in 2024-25, including \$98.7 billion in lump sum benefits and \$93.0 billion in pension benefits<sup>11</sup>. The amount drawn from super each year (as a proportion of GDP) is expected to increase by almost 50% over the next 20 years, reaching 4% of GDP.<sup>12</sup>

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<sup>11</sup> APRA Annual Superannuation Bulletin 2025.

<sup>12</sup> Australian Treasury (2023), Intergenerational Report p. 166



## 4. Delivering strong returns through investment approaches and lower costs

There are important distinctions between how different types of super funds invest that can have a material effect on Australians’ balances at retirement.

### Scale and superior stewardship help minimise fees and costs

Scale can reduce fees, enhanced service capabilities, and allow funds access to greater investment opportunities. Research from CEM Benchmarking (Figure 11) shows that with median Assets Under Management (AUM) of \$72 billion, Australian profit-to-member super funds are often larger than their global counterparts and collectively benefit from scale advantages<sup>13</sup>.

**Figure 11: CEM global database size distribution (in AUD billions)**

Region	10th pctl.	Median	90th pctl.	Avg.	Fund count	Total AUM
Europe	4	20	127	97	66	6,384
USA	2	12	102	41	148	6,131
Canada	1	8	137	45	73	3,314
Global	2	13	129	59	304	18,043
Australia	8	72	152	83	11	917

**Source:** CEM Database, Dec 2023

**Note:** Australian funds in the CEM global database are all profit-to-member funds

A crucial advantage of scale is that it helps minimise transaction costs. Fees and costs compound over time and have a material effect on how much money members will have to spend in their retirement.

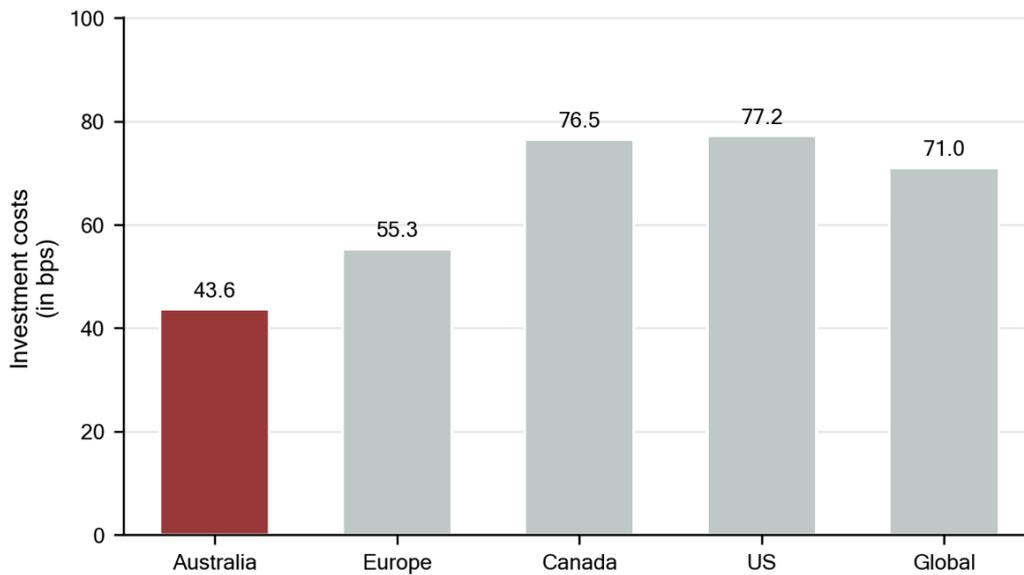
The CEM Benchmarking research found that Australian profit-to-member super funds demonstrated a notable advantage in investment cost efficiency compared to other global funds. On average, profit-to-member super funds operated at 43.6 basis points in investment costs, significantly below the global average at 71.0 basis points (Figure 12).

This includes base and performance fees for both public and private market investments, internal management costs, and expenses related to investment governance and operations. The economics of scale and the asset mix differences explain about 15 basis points of that gap. The savings realised by the funds were primarily driven by two factors: lower fees paid to external investment managers and the strategic use of evergreen and core fund implementation structures in real estate and infrastructure.

<sup>13</sup> CEM Benchmarking (2025), International comparison of pension fund costs: How Australian superannuation funds stack up



**Figure 12: Total investment costs in the CEM database (average in basis points)**



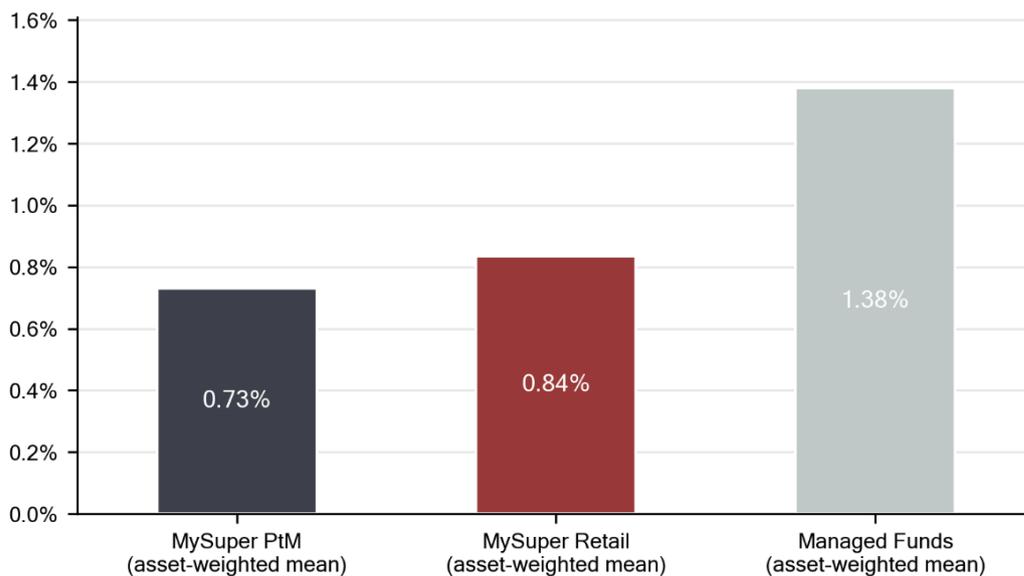
**Source:** CEM Database, data year 2023

**Notes:** Investment cost includes the cost of internal and external management of the investment portfolio, including base manager and performance fees, costs related to investment operations, governance and support functions, custody, consulting, audit and other direct investment-related costs. It excludes transaction costs and costs related to pension benefit administration.

*Controlling for differences in asset mix and AUM, relative to appropriate global peers, the profit-to-member super funds saved their members \$1.07 billion in 2023.<sup>14</sup>*

When compared to other collective investment vehicles in Australia, profit-to-member funds have lower total fees and costs. In September 2025, the asset-weighted mean profit-to-member MySuper product had total annual fees and costs of 0.73%. Retail MySuper products were slightly higher at 0.84%, while managed investments outside of super were much higher at 1.38% (see Figure 13).

**Figure 13: Super funds have lower total fees and costs**



**Source:** SMC Analysis, APRA Quarterly Superannuation Product Statistics September 2025. Morningstar, Praemium, HUB24, Manson Stevens, BT, AMP, Adviser Ratings.

**Note:** Managed fund fees include platform and adviser fee estimates.

<sup>14</sup> CEM Benchmarking (2025), (n13)



Lower fees and costs have a significant impact on the amount of super that people have by retirement. A 30-year-old earning the median wage today and paying super into a MySuper profit-to-member fund would retire with a balance around \$90,500 higher than if they had been in a managed fund under a typical advisor and platform arrangement - thanks to fees alone (ie. assuming the same rate of return).<sup>15</sup> That figure doesn't consider the fact that profit-to-member funds have also consistently delivered higher gross returns (more below).

### More investment in unlisted asset classes

Profit-to-member super funds have long pioneered investment in unlisted assets, particularly infrastructure, and with good reason. Investment by super funds in unlisted asset classes has enabled higher returns, lower risk, reduced volatility and improved portfolio diversification.

Figure 14 shows that profit-to-member funds have much greater exposure to unlisted assets, including property, infrastructure and equities, than retail funds (19% versus 6% in 2025).

The investment approaches employed by profit-to-member funds, coupled with a keen focus on costs, has enabled these funds to add net value to members relative to market benchmarks - they are also global leaders in this regard. These attributes deliver strong benefits to millions of individual super fund members and the broader financial system.

**Figure 14: Asset allocation by sector, September 2025**



**Source:** APRA Quarterly Superannuation Industry publication, September 2025

**Note:** The 'Other' category for Profit-to-Member sector contains cash derivatives, which for the September quarter is negative in nominal value, and hence not displayed here.

Profit-to-member funds' vast experience as major investors in unlisted assets has boosted their internal expertise and capability, enabling them to pursue a wide range of opportunities, here and around the world, for the benefit of their members.

Today, in addition to traditional assets such as airports, seaports, and toll roads, profit-to-member super funds are major players in a range of private equity and venture capital opportunities, and in a much wider range of sectors than ever before, including in renewable energy and tourism. Case studies show a selection on these investments.

<sup>15</sup> The cameo is for a 30-year-old male worker on median wage with \$30,000 starting balance who is in the labour force for 37 years and models the difference in the asset weighted average fees of profit-to-member MySuper products and managed funds. Before-fee returns are assumed to be 7.5% per annum for both products. Balances are in real terms, deflated by wages.



## CASE STUDY 4

### Majority investment in G'day Group holiday parks and resorts

Australian Retirement Trust (ART) has a majority investment in G'day Group. G'day Group is home to Discovery, a network of 90 owned and operated holiday parks and resorts, and G'day Parks, a community of 240+ independently owned, licensed parks. The company also operates the G'day Rewards loyalty program, which has more than 240,000 paid members, and Wikicamps, Australia's number one regional travel community.

This investment is part of ART's diverse investment portfolio that aims to deliver strong long-term returns to their 2.4 million members. With ART's support, G'day Group has growth plans to acquire new parks and invest to improve the facilities it offers within its parks. Recently completed major developments at Forster on the NSW Mid-North Coast and Cradle Mountain in Tasmania are examples of this. The Group also continues to expand its portfolio, acquiring new properties in Moama, NSW and Margaret River, WA.



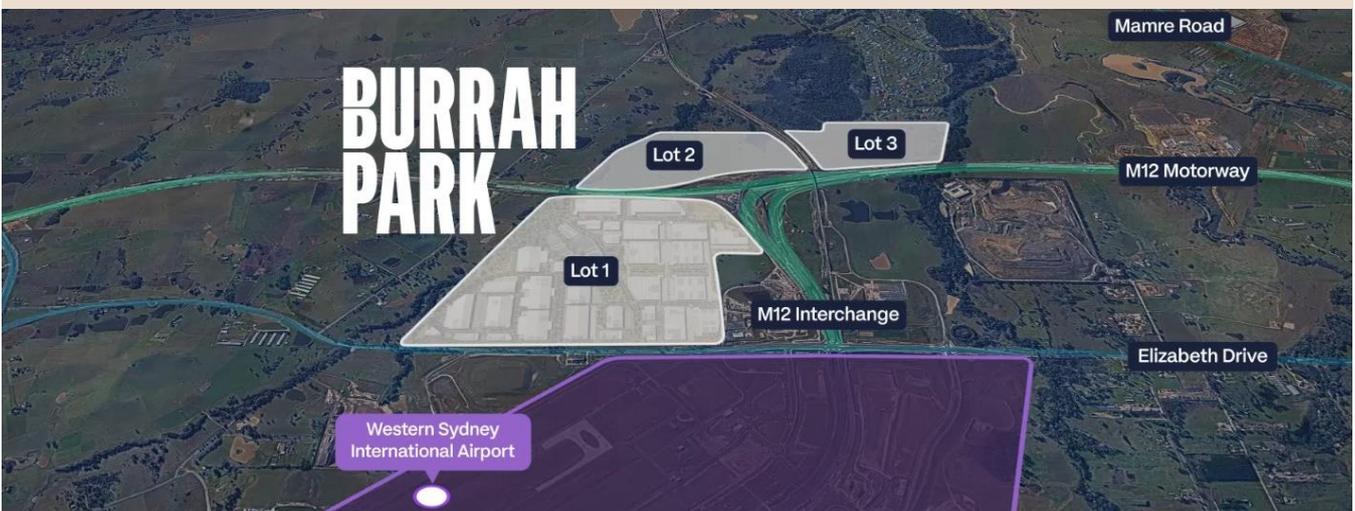
## CASE STUDY 5

### Commercial property acquisition adjacent Western Sydney airport

In 2024, UniSuper announced the acquisition of Burra Park, a prime 280-hectare greenfield logistics development site in a 50/50 joint venture with IFM Investors. The property is located adjacent to the entrance to the new Western Sydney International Airport, which is currently under construction, it will commence operations in 2026 and eventually become Sydney's largest airport.

As the largest parcel of Enterprise Zoned land within the Western Sydney Aerotropolis, the site offers unparalleled development flexibility and is primed to benefit from the region's demographic and economic expansion, reinforcing its status as a premier logistics and industrial hub.

UniSuper and IFM Investors intend to progressively develop Burra Park with the first stages of development expected to deliver a super-prime manufacturing, warehouse and logistics estate (subject to planning approval).





## CASE STUDY 6

### Boosting Australia's rocket launching credentials with Gilmour Space

Founded by two brothers in Gold Coast, Queensland, Gilmour Space is a venture-capital-backed Australian launch services company that is developing new capabilities for launching satellites to space. HESTA, Hostplus, and NGS Super are investors in the company.

The company's main aim is to provide affordable space launch services to the world's fast-growing small satellite industry. Australians already rely heavily on 'everyday' satellite technologies for GPS and enabling global payments (among others) and will benefit further from new satellite capabilities around early bushfire detection, better remote communications, new broadband services, and more. Local and overseas companies will soon use Gilmour Space's rockets and launch facilities to send their satellites into space.

Gilmour Space is creating hundreds of jobs, developing sovereign space assets, and attracting business from overseas partners.



In research conducted for SMC, Frontier Advisers found that the higher allocation to illiquid assets, i.e. unlisted assets, by profit-to-member funds stems from a deliberate and strategic approach from trustees to operate institutional rather than retail investment approaches (to fully capitalise on system characteristics and member demographics).<sup>16</sup>

However, while profit-to-member super funds have a long history of investing in private markets and are recognised as leaders, the trend toward greater private market allocations is not unique to Australia. Globally, pension funds are also shifting their investment strategies to include more private market exposure due to their long-term growth potential and low correlation with traditional asset classes.

The OECD recognised the benefits of investment in private market assets in a 2009 report, noting "infrastructure is made for the long term, and there seems to be a natural fit with the long-term liabilities of many pension plans".<sup>17</sup> Several research reports have also found that illiquid investments experienced higher risk-adjusted returns, which suggests a return premium is captured by investing in these assets.<sup>18</sup>

As Figure 15 shows, unlisted investments tend to have lower volatility than investments with similar returns, making them great investments, but ones which only large-scale, sophisticated, investors can often access. Investment in these assets by profit-to-member super funds have enhanced member outcomes over several decades, delivering higher returns after fees and lower risk than comparable listed asset classes.

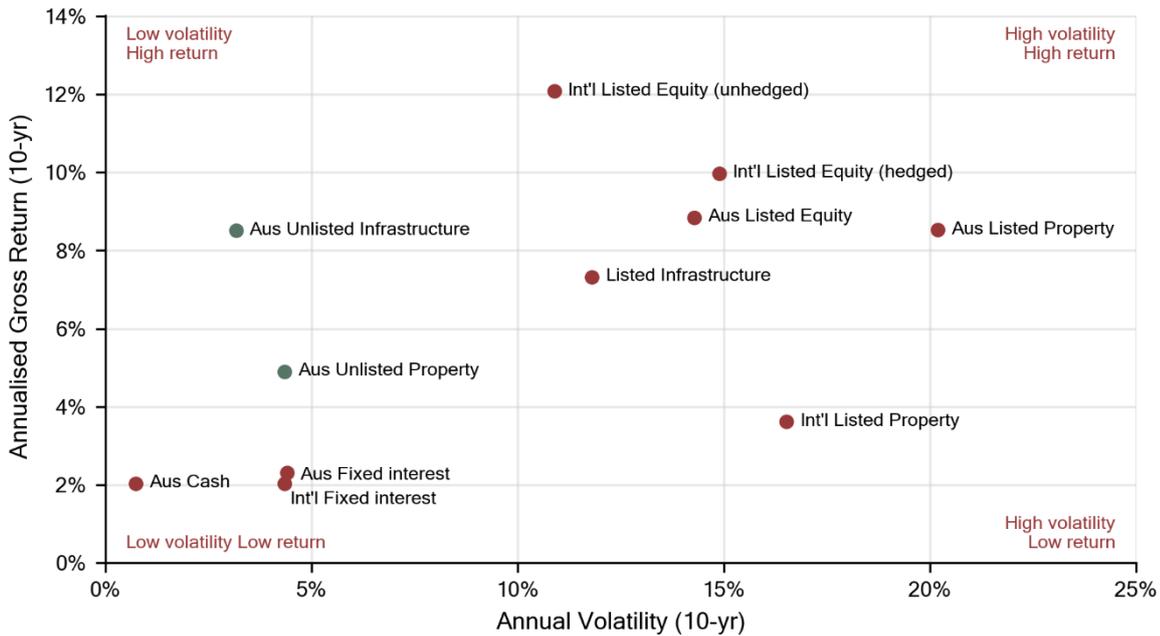
<sup>16</sup> Frontier Advisers (2025), [Superannuation liquidity management and investment in private markets](#)

<sup>17</sup> OECD (2009) [Pension Fund Investment in Infrastructure](#)

<sup>18</sup> See APRA Working Paper Risk and return of illiquid investments: A trade-off for superannuation funds offering transferable accounts (2011) and Frontier Advisers (n16) p. 10-12, Journal of Financial Economics, The illiquidity premium: International evidence (2013)



**Figure 15: Long-term risk vs returns of listed and unlisted investments, June 2025**



**Source:** SMC Analysis, Frontier.

**Note:** Risk and return profiles are for indicative purposes only.

A key benefit of unlisted assets for superannuation funds is that they diversify a portfolio, generally leading to net returns that are more stable when these assets are included. This is especially relevant in the current economic environment and to mitigate any volatility in global public markets. Overall, unlisted assets remain a relatively small but important proportion of superannuation fund asset investment. They do so while targeting and maintaining a prudent level of total liquidity to ensure they can pay members when required.

### The impact on retirement balances

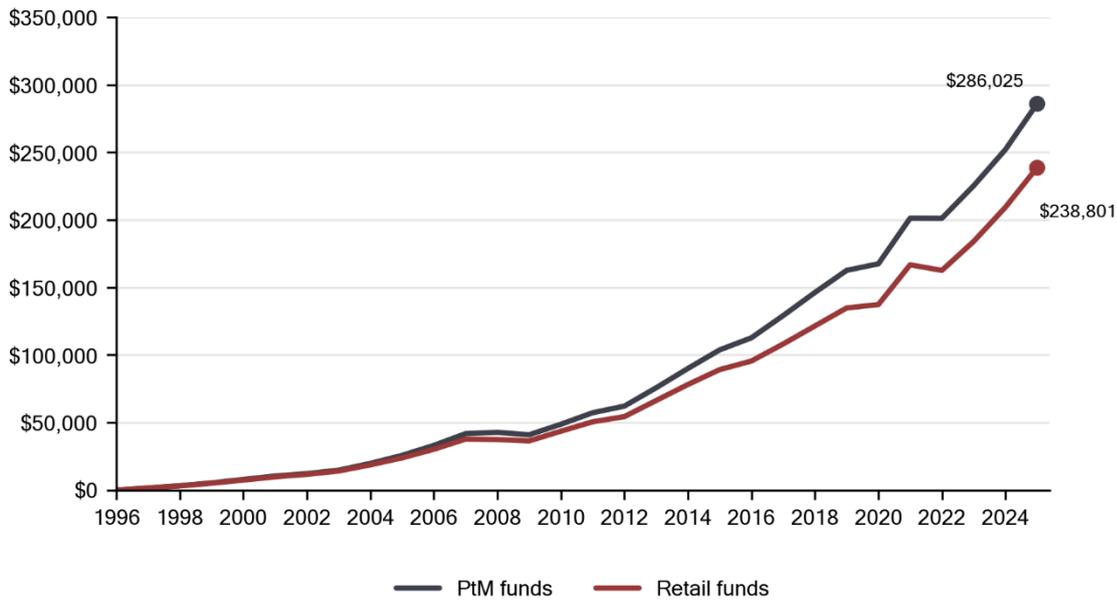
Overall, profit-to-member super funds' investment approach has a proven track record of delivering value for their members, well above the APRA performance benchmark. The sector's outperformance delivered a net value-add of \$18.5 billion to members in the three years to June 2023.<sup>19</sup>

New SMC analysis shows that an Australian who opened a super account in 1996 would currently be \$47,224 better off on average if they had placed their super in a profit-to-member super fund instead of a retail fund (Figure 16).

<sup>19</sup> SMC (2024), [Submission on Annual Superannuation Performance Test - design options consultation](#)



**Figure 16: The impact of outperformance on member account balances, 1996-2025**



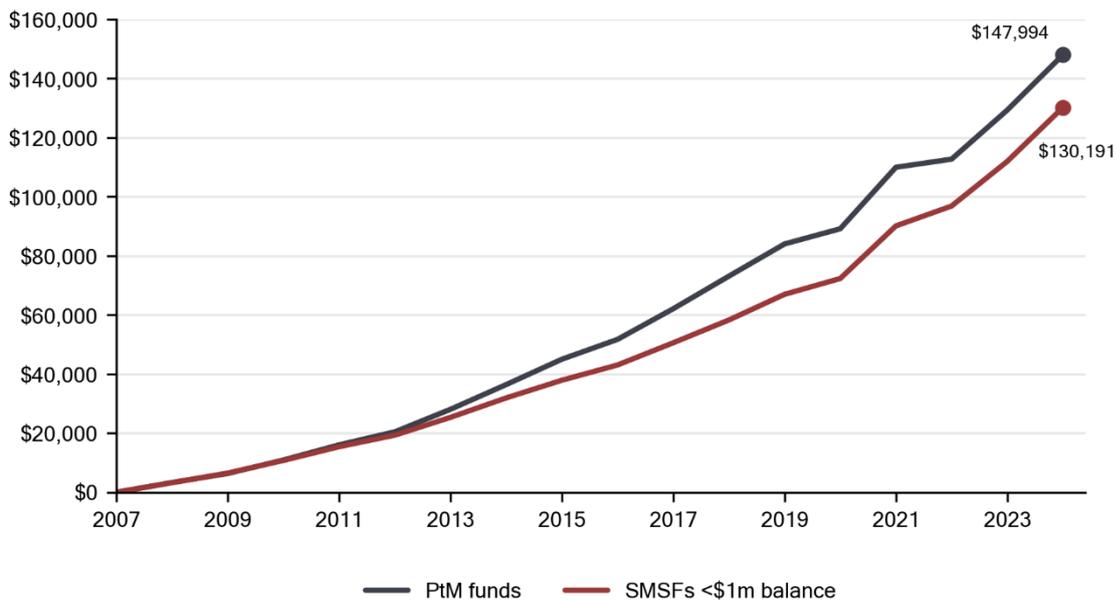
**Source:** SMC Analysis, ABS 6302.0 - Average Weekly Earnings, ATO 2022-23 (and historical) Individual Sample Files, APRA Annual Superannuation Bulletin (June 2025 and legacy publications).

**Note:** The model assumes a starting balance of zero and average of PtM fund members' wages throughout the period. These were derived from the ATO taxation statistics sample file (historical series), where we identified annual mean wage from a sample of potential PtM fund members based on age and income criteria. We also applied rolling aggregate OTE adjustment factors so that bonuses were excluded from wage calculations.

It's a similar story when profit-to-member funds are compared with SMSFs.

New SMC analysis shows an Australian in a profit-to-member super fund who opened an account in 2007 would, on average, have been \$17,803 better off than an SMSF member with under \$1 million by 2024 (Figure 17).

**Figure 17: The impacts of returns on member account balances, PtM vs SMSFs, 2007-2024**



**Source:** SMC Analysis, ABS 6302.0 - Average Weekly Earnings, ATO 2022-23 (and historical) Individual Sample Files, APRA Annual Superannuation Bulletin (June 2025 and legacy publications). ATO SMSF - A Statistical Overview 2023-24.

**Note:** As above for Figure 16



## 5. Protecting the promise of super

Super builds and democratises wealth so that millions of everyday Australians can now retire with more income, dignity and freedom. Successive Australian Governments have continued super's evolution, extending its effectiveness and efficiency, making it stronger and fairer, and adding greater consumer protections.

Recent policy changes that have strengthened the system to ensure working Australians retire with more income include:

- The 2022 removal of a rule that previously excluded workers earning less than \$450 a month from being guaranteed super - this reform especially benefits women in low-paid, part-time and insecure jobs.
- The rise in the Super Guarantee rate from 9% to 12% over the past decade.
- Paying super on the Commonwealth Paid Parental Leave scheme from 1 July 2025 is estimated to deliver an extra \$2,400 in super contributions for a mother on parental leave, adding around \$15,000 in superannuation by retirement age for a mother of two.<sup>20</sup>
- Widening eligibility and increasing the Low-Income Superannuation Tax Offset (LISTO) to deliver a full tax refund to all workers earning up to \$45,000 a year - a reform that will benefit 1.2 million low-income Australians by up to a collective \$500 million a year.<sup>21</sup>
- Payday Super reforms to ensure super is paid at the same time as wages and strengthen employer compliance with Superannuation Guarantee obligations, which will reduce the scale of unpaid super which could cost the average affected worker more than \$30,000 by retirement.<sup>22</sup>

But the transformative benefits of these changes for millions of Australians are underpinned by the system's fundamentals: a compulsory and universal system with savings preserved until retirement.

The Objective of Superannuation Bill, passed by the Parliament in 2024, established an important layer of scrutiny for any law changes relating to super, to ensure those changes meet super's objective and require Government to explain how they do. Crystallising super's objective in law was an important measure to give policymakers a north star to guide all future super policies so they support and strengthen system fundamentals, especially preservation settings.

Any adverse policy changes that weaken the safeguards on Australians' super - such as allowing early withdrawal of super - would just make Australians poorer and damage the fundamental strengths of Australia's super system. It would not only make people who withdraw their own super poorer, it would make every Australian with super poorer. This is because it would drag down returns to all members, because super funds would have to hold more of their investment pool in cash - a lower performing asset - to make such payouts. It would also limit the ability of funds to invest in long-term, illiquid investments, including unlisted assets, which can often deliver greater returns for members.

Analysis by Frontier Advisers for SMC finds that by relaxing current preservation rules in a way that meant super funds could no longer act as long-term investors, and were no longer able to invest in unlisted assets, net returns could be lower by 0.3 - 0.6% each year. To put this in context for individuals and families, such a drop could leave the average Australian with between \$150,000 and \$300,000 less in super at retirement (in today's dollars).<sup>23</sup>

Early withdrawal policies don't only affect the individuals involved, either. They also weaken the contribution that their super funds make to the broader economy.

The superannuation sector's growth has supported Australia's economy by helping Australians both to save for retirement and leverage compound investment returns to grow their savings by up to four times as much by the time they retire. Around three quarters of the money Australians have in super by retirement is due to the effect of compound investment returns.

Through the scale, sophistication and collective structures of super, working Australians' savings are invested in income-generating investments, which includes investing long-term capital in Australian businesses that would otherwise not have access to sufficient capital at a competitive rate. The RBA's latest Financial Stability Review (RBA 2025) also noted the superannuation sector has historically supported financial stability and that policy interventions impacting on liquidity, such as early release, could negatively impact the sector's contribution to financial stability, underscoring the importance of that key policy principle of preservation.

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<sup>20</sup> Assumes a mother of two, with first child at age 30 and second at age 32, taking 21 weeks of Paid Parental Leave per child and retiring at age 67.

<sup>21</sup> SMC (2025), [Breaking the deal: why the LISTO needs to be fixed](#), p. 3

<sup>22</sup> SMC (2025), [Payday super: solving the unpaid super crisis](#), p. 1

<sup>23</sup> Frontier Advisers (2025), (n16)



## Conclusion

Super has given millions of everyday Australians the opportunity to grow wealth by accumulating savings and investing them in companies and major infrastructure projects. The scale of Australia's super funds, and their low-fee structure and capacity to invest in high-return and low-risk unlisted assets, has supercharged Australians retirement savings.

Without super, everyday Australian workers and their families would be poorer, have less income to support them in retirement, and be more dependent on the Age Pension.

Profit-to-member super funds have led the way by delivering superior returns. They lead the industry in investment in key unlisted assets, and their lower fee structure and profit-to-member ethos - existing only to serve their members - has ensured millions of Australians will retire with more money, dignity and security.

Any detrimental changes to the fundamentals of the super system could have far-reaching negative consequences for millions of Australians and their retirements.