

Publication: [Financial Standard](#)

Date: 26.04.22

Journalist: Jamie Williamson



Active Super enhances parental leave policy

Employees of Active Super will now receive superannuation guarantee payments for up to 12 months while on parental leave, with the super fund also extending its paid entitlements.

In an effort to help bridge the gender super gap, the industry fund will pay primary caregivers SG contributions for up to 12 months on paid and unpaid parental leave.

It will also extend parental leave entitlements for primary caregivers from the existing 12 weeks to 18 weeks, and secondary caregivers will now receive four weeks leave at full pay and SG contributions, up from one week.

"Paying employees super while on parental leave, whether paid or unpaid, along with extending paid parental leave to 18 weeks, are important initiatives to help reduce the gender gap in superannuation and enable women to have a comfortable retirement," Active Super chief executive Phil Stockwell said.

According to the Association of Superannuation Funds of Australia, women typically retire with about 23% less in super than men. Research conducted by Industry Super Australia last year found that close to 70% of Aussies mistakenly believe their super continues to be paid while on parental leave.

"In many Australian households, women are more likely to be the primary carers. These initiatives go some way to addressing the gender imbalance when it comes to women and their super. Just because women take time off to have a baby doesn't mean they should be penalised when it comes to receiving super and securing a better financial future," Stockwell said.

"By tackling this pressing issue today, we are hopeful that we can contribute to making the superannuation system more equitable and provide better retirement outcomes for everyone."

Several other funds also currently pay superannuation on parental leave.

For example, HESTA pays superannuation on parental leave for its employees for a period of up to 12 months and at a rate of 15%. Meanwhile, AustralianSuper also pays superannuation to employees while on parental leave.