



Extend Superannuation Guarantee to all under 18 year olds	
Party:	Australian Greens
Summary of proposal: The proposal would amend the <i>Superannuation guarantee Act</i> from 1 July 2026 so that people under the age of 18 are paid superannuation contributions regardless of how many hours they work.	

Costing overview

The proposal would be expected to increase the fiscal and underlying cash balances by around \$93.2 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in tax receipts from superannuation tax, partially offset by an increase in Low Income Super Tax Offset (LISTO) claims.

The proposal would be expected to have an impact beyond the 2025-26 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2035-36 is provided at Attachment A.

Table 1: Extend Superannuation Guarantee to all under 18 year olds – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-	45.0	23.9	24.3	93.2
Underlying cash balance	-	45.0	23.9	24.3	93.2

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) PDI impacts are not included in the totals.

- Indicates nil.

Key assumptions

The Parliamentary Budget Office (PBO) made the following assumptions in costing this proposal.

- LISTO payments would occur in the year after the relevant tax receipts.
- Super fund earnings in affected accounts would earn an average of 7.5% a year in both accumulation and retirement, consistent with historical trends.
- 92% of superannuation tax liabilities would be paid within the financial year, with the remainder paid in the following year.
- The superannuation guarantee would be as legislated, that is 12% in 2025-26 and thereafter.
- There would be no reduction in employee wages in response to obligations to pay the superannuation guarantee.

Methodology

The financial implications were estimated using de-identified ATO payment summary, personal income tax and superannuation member account data for the 2022-23 income year, for individuals aged under 18 years old. The dataset was grown over the medium-term using parameters from the 2025-26 Budget.

The gap between the amount of superannuation paid by eligible individuals and the amount that they would have received, had the full superannuation guarantee been applied, was used to estimate the amount of additional superannuation received under the proposal. LISTO was subtracted from this amount for individuals below the income threshold.

Financial implications were rounded consistent with the PBO's rounding rules¹.

Data sources

The ATO provided the de-identified personal income tax returns data, superannuation account data and payment summary data for the 2022-23 income year.

Commonwealth of Australia (2025) *Pre-election Economic and Fiscal Outlook 2025*, Commonwealth of Australia.

¹ <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

Attachment A – Extend Superannuation Guarantee to all under 18 year olds – Financial implications

Table A1: Extend Superannuation Guarantee to all under 18 year olds – Fiscal and underlying cash balances (\$m)^(a)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Revenue													
<i>Superannuation tax</i>	-	45.0	54.0	60.0	67.0	74.0	81.0	90.0	99.0	109.0	119.0	159.0	798.0
Total – revenue	-	45.0	54.0	60.0	67.0	74.0	81.0	90.0	99.0	109.0	119.0	159.0	798.0
Expenses													
<i>LISTO</i>	-	-	-30.1	-35.7	-39.4	-43.2	-47.3	-51.7	-56.3	-61.2	-66.4	-65.8	-431.3
Total – expenses	-	-	-30.1	-35.7	-39.4	-43.2	-47.3	-51.7	-56.3	-61.2	-66.4	-65.8	-431.3
Total (excluding PDI)	-	45.0	23.9	24.3	27.6	30.8	33.7	38.3	42.7	47.8	52.6	93.2	366.7

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

Table A2: Extend Superannuation Guarantee to all under 18 year olds – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Fiscal balance	-	1.0	2.5	3.7	5.0	6.5	8.3	10.3	12.6	15.2	18.2	7.2	83.3
Underlying cash balance	-	0.7	2.2	3.4	4.7	6.2	7.8	9.8	12.0	14.5	17.4	6.3	78.7

(a) As this table is presented as a memorandum item, these figures are not reflected in the totals above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary².

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

² [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au/online-budget-glossary)