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Mini-Retirements May Cost Millennials and Gen Z Over \$100k in Superannuation

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The growing trend of “mini-retirements” – career breaks taken every few years instead of waiting for traditional retirement – is raising red flags among financial experts, who warn the practice could leave younger Australians tens of thousands of dollars worse off in retirement. With Gen Z and Millennials leading the shift toward flexible lifestyles, concerns are mounting over the long-term impact on superannuation savings.

Financial modelling shows that taking regular short-term breaks across a career could reduce a worker’s retirement balance by more than \$100,000. This is largely due to the

compounding effect of lost employer super contributions and reduced investment growth over time. While the appeal of a lifestyle that prioritises travel, rest, or career transitions is understandable, industry experts caution that many are underestimating how even short gaps in contributions can severely impact their final nest egg. Superannuation – Australia’s mandatory retirement savings system – relies heavily on consistent, long-term compounding to build wealth.

Perth property worker Riley McPherson, 39, is one of a growing number of Australians embracing the mini-retirement lifestyle. He recently took a two-month break between roles and plans to repeat the process every five to ten years. While McPherson says the time off has helped him avoid burnout, experts say regular unpaid breaks without super contributions risk setting Australians up for a far less secure retirement – especially as cost of living and housing continue to climb. “It’s important that workers weigh up the short-term benefits of time off with the long-term consequences for their financial future,” warned one financial planner.



The federal government has yet to address how modern workforce patterns – including gig work, freelance arrangements, and mini-retirements – interact with Australia’s retirement income system. As younger Australians seek more work-life balance, the onus is increasingly on individuals to stay financially informed and proactive. Financial literacy, voluntary super contributions, and early planning are critical if younger generations hope to enjoy both career flexibility and financial security. While the lifestyle trend reflects changing cultural attitudes toward work, it’s essential that those embracing the concept do so with full awareness of the trade-offs involved. A few months off now could mean years of financial strain later.