

## HOW TO

# BE SUPER AT EVERY AGE

If caring about your super is up there with reorganising your sock drawer, you aren't alone. But investing some time to worry now will save stress down the track

**L**urking on your to-do list, alongside getting the car serviced, is getting your superannuation sorted. Yes, you groan. You know you should pay more attention – 58 per cent of women rate their understanding of super as either fair or poor!\*

You may not care now, but you will in a few decades when you don't have enough cash to fund your long dream of retirement of long lunches and overseas travel.

According to the ASFA Retirement Standard, the average superannuation payout for women is \$112,600.<sup>†</sup> To live comfortably as a retired single you'll need \$41,169<sup>‡</sup> each year. Still thinking of retiring at 65? Do the sums.

Suddenly that nest egg doesn't look so padded, does it?

"It's critical to look at superannuation as a life-time experience and seek professional advice at each major milestone," asserts super expert Tracey Sarah, the host of "Super Eagle" radio show. "Women are innately under-funded for a variety of reasons, which means it's essential to prepare."

## IN YOUR 20s

**TOP-UP:** Contribute an extra \$20 a week from the age of 20 to receive an additional \$84,184 in your fund at 65.<sup>‡</sup>

While retirement may be the furthest thing from your mind, your 20s is the

ideal time to prepare, says Julie Lander, CEO of CareSuper. "For 20-somethings, topping up your super contributions, salary sacrificing to add extra to your fund and taking advantage of the government's co-contribution scheme (see box opposite), which matches your contributions dollar for dollar, are all great ways to kickstart your super savings."

An added bonus of acting now? The money contributed in your 20s has the rest of your working life to benefit from compound interest. As your 20s is a decade of great change – trying different careers, travelling overseas and taking on part-time jobs while in education – it can leave you with a complicated array of super funds.

"It's your money, so claim it," comments Jenni Erbel, CEO of MAP Funds Management Ltd.

"Keeping your super together should be a priority. Round up any lost super by visiting [www.superseeker.com.au](http://www.superseeker.com.au), and regularly review all superannuation funds that you have."

## IN YOUR 30s

**SEEK ALTERNATIVE SOURCES:** This is the period when you are at most risk of losing out, so help boost your super with tax breaks and contribution schemes.

You're in your 30s and life's starting to get serious. Half of women who have

super and aren't retired (yes, that's you!) aren't confident that they'll have enough money to live on\*\*, so this is the time to act. It's also a good time to evaluate other necessities, such as insurance – and your superannuation fund can often offer competitive rates on life; income protection; and total and permanent disablement insurance. With premiums coming out of your super and not your wallet, it's a simple way of saving money.

Marriage is another milestone at which to contact your super fund. Consider changing your beneficiary as well as checking that you have adequate coverage to support your joint financial commitments in the event of death.

Your 30s might also be the point where you press pause on career to have a family, and it's here where women start losing out on super. Remember, even small contributions make a big difference when it comes to retirement.

The government's low-income super contribution; super splitting; super spousal contributions (see box opposite) are other options worth considering.

**\$18.1 BILLION**  
in superannuation remains unclaimed.\*

**47%**  
of Australian employees are likely to have lost super.\*





## IN YOUR 40s

**CONSOLIDATE:** As retirement inches closer, opt for safer investment opportunities over high risk, and be aware of any contribution caps.

Statistically, you're now likely to have children, a mortgage, and a variety of other financial commitments, so protecting your lifestyle, your family and yourself is more important than ever. Women are likely to rely on government assistance or support from a partner to fund retirement, so with that in mind, while an aggressive investment strategy for your super may have been perfect for your 20s and 30s, as retirement approaches safer choices are often better.

With the average age of divorce for women being 41<sup>#</sup>, this has the potential to leave women financially vulnerable as they approach retirement.

Superannuation accumulated during a marriage is considered an asset, which can be split in the property settlement either by mutual agreement or court appointment. "If you do lose some of your super, start reinvesting as much as you can afford straightaway," suggests Lander.

"But beware of contribution caps [see box below], or you could pay an additional 31.5 per cent in tax on contributions made over the cap."

**38%**

of Australians remain unaware whether they have any lost super. The average balance in lost accounts is \$2592.\*

## SUPER LINGO EXPLAINED

Conditions and limits change regularly, so seek professional advice for the most current information

### Government co-contributions:

If you earn under \$48,516, the government may match your contributions up to \$1000.

**Spousal contributions:** If your income is \$13,800 or less, your spouse can contribute up to \$3000 to your super account and in return receive a tax rebate of up to \$540.

**Super splitting:** This allows your partner to split up to 85 per cent of their concessional contributions with you at the end of a financial year.

### Low-income super contribution:

This allows low-income workers earning \$37,000 or less a tax rebate of up to \$500.

**Contribution caps:** The cap for before tax contributions is \$25,000 (\$35,000 for 60+). This includes any contributions made by your employer, salary-sacrificed amounts and personal contributions claimed as a tax deduction. After-tax contributions have a cap of \$150,000 per year.



## HOW DO YOU DECODE YOUR ANNUAL FEEDBACK?

We ask Karen Gately, of Ryan Gately HR, to reveal the real meanings of "evaluation speak" to help you nail your performance

### NOT AN EFFECTIVE COMMUNICATOR

You're having issues expressing thoughts and ideas clearly, directly, honestly or respectfully. It may also be that you're not listening and missing the points you need to hear.

**QUICK FIX** Don't shy away from making your point, but deliver it well. Pick your battles, speak calmly and remove emotion from your language. Listen to understand, not just to hear.

### LACKING COMMITMENT

You lack dedication to the job. Your contribution and quality of your work need to improve. It seems you're passively sitting on the sidelines.

**QUICK FIX** Come prepared to contribute at team meetings. Volunteer for assignments and demonstrate how you can go the extra mile when required.

### YOU'RE UNRELIABLE

Inconsistency is a problem and your ability to follow through can't be relied upon. Your performance may deteriorate if you're under pressure.

**QUICK FIX** Use checklists to help monitor your priorities. If you're concerned about meeting a deadline, discuss it in advance with your manager.

### COULD BE MORE DILIGENT

You're missing the all-important little things and the perception is you lack the care and focus to avoid errors.

**QUICK FIX** Ask questions if you're unsure of expectations. Write lists to keep you on track and check your work for accuracy. Try to enlist a colleague for a second set of eyes on important jobs.

### NOT A TEAM PLAYER

You lack the willingness to support your colleagues to achieve group objectives either by failing to do your fair share or not sharing information.

**QUICK FIX** Look past differences of opinion you may have with other team members and actively work with them to solve problems and get work done.