

# Horizons

AMIST Pension Hotline **1800 255 521**



September 2013

**Solid. Strong. Yours.**

## Where there's a will there's a relative

**A Will is generally a formal, signed statement that provides for the distribution of a person's property and assets, once that person has died.**

It is an important legal document that all adults should have to protect the assets they have worked hard to accumulate.

But did you know:

- A significant number of people who die in Australia each year have not left a Will.
- Many Wills are outdated and do not reflect the person's wishes when they die.
- Many people incorrectly believe that Wills are only necessary for the wealthy.
- Making a Will is not an expensive process.
- Your assets may be worth more than you realise.

### So why make a Will?

Making a Will is the only way to ensure that your lifetime's work is passed on to the people you choose. It provides security for those close to you and for those you are responsible for, and may avoid unnecessary difficulties upon your death. In the event you have dependents under the age of 18, your Will may be used to appoint guardians and to arrange for their maintenance and education.

Making a Will is a specialised task, often requiring consideration of complex financial, legal and tax issues to ensure that your estate is distributed in accordance with your wishes.



If you die without a Will, your estate may be divided according to a Government formula. This formula may not reflect your wishes, and may cause undue hardship, cost and delay for your family.

*An elderly woman decided to prepare her will and make her final requests. She told her lawyer she had two final requests. First, she wanted to be cremated, and second, she wanted her ashes scattered in David Jones. "David Jones!" the lawyer exclaimed. "Why David Jones?"*

*The woman replied, "then I'll be sure my daughters visit me twice a week."*

## Concessional contributions limit increase

Did you know that from 1 July 2013, the concessional contributions limit for people who are turning 60 or more this year was increased from \$25,000 per year to \$35,000 per year? Concessional contributions, also known as before-tax contributions, include your employer's compulsory Superannuation Guarantee contributions, additional employer contributions, and any salary sacrificed contributions that you arrange for your employer to deduct from your before-tax salary.

The increase in this limit is of particular benefit to members on a transition to retirement strategy, because it will allow more money to be salary sacrificed into super. Not only will this help your super balance grow, but it may also reduce your tax because super contributions are taxed at only 15%.

For more information on how this may benefit you, call the **AMIST Pension Hotline** on **1800 255 521** and ask to speak to one of our financial advisers.

**AMISTSUPER**   
AUSTRALIAN MEAT INDUSTRY SUPERANNUATION TRUST

## Longevity risk: Will your money run out?

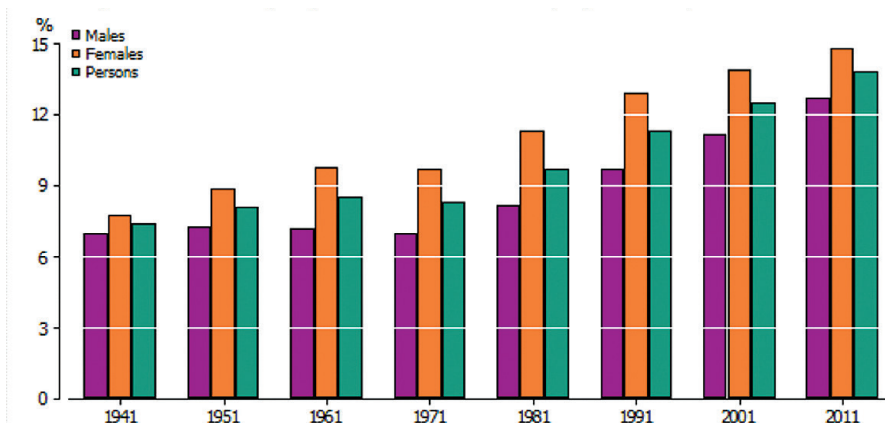
Longevity risk is one of the biggest risks facing retirees. It's the risk of outliving your savings. Longevity issues arise when people enter retirement, generally with a fixed amount of money (either in the form of a lump sum or pension), but with of course no idea of how long they will live and, therefore, no idea how long their money needs to last.

According to the Australian Bureau of Statistics (ABS) the life expectancy of men born between 1946-48 was 66.1 years. But for men born between 2004-06, life expectancy has increased to 78.7 years. Similarly, the life expectancy

of a new-born girl increased from 70.6 to 83.5 years during the same period. The increase in life expectancy is due to advances in medical treatments and drugs, as well as a reduction in some risk factors, such as smoking. All of these things have contributed to people living longer.

Although women continue to have a greater life expectancy than men of the same age, the improvement in life expectancy for men over this period has been slightly greater than that of women.

### Growth in proportion of the population over age 65



Source: ABS, 2012, Australian Demographic Statistics, cat. no. 3101.0, March 2012. ABS, 2008, Australian Historical Population Statistics, cat. no. 3105.0.65.001

## AMIST Pension wins gold again!

AMIST Pension has again been awarded a Gold rating by independent research house SuperRatings. This is the second Gold rating for AMIST Pension in three years.

HORIZONS | September 2013

*Q: Why did the  
butcher retire?*

*A: He was cut  
off in his prime!*



As a result, the proportion of Australians aged over 65 years is growing, and is forecast to be more than 20% of the total population by 2050. It's important to understand that life expectancies are based on historical averages; it doesn't mean that the 65-year-old male should expect to live until age 80. What it means is that he has a 50 per cent chance that he will live beyond age 80, and a 50 per cent chance that he will die earlier.

### How much money will I need?



Source: Association of Superannuation Funds of Australia, ASFA Retirement Standard Feb 2013. The expenditure figures assume you own your own home and do not include mortgage payments. [www.superannuation.asn.au/resources/retirement-standard](http://www.superannuation.asn.au/resources/retirement-standard)

### How to manage longevity risk.

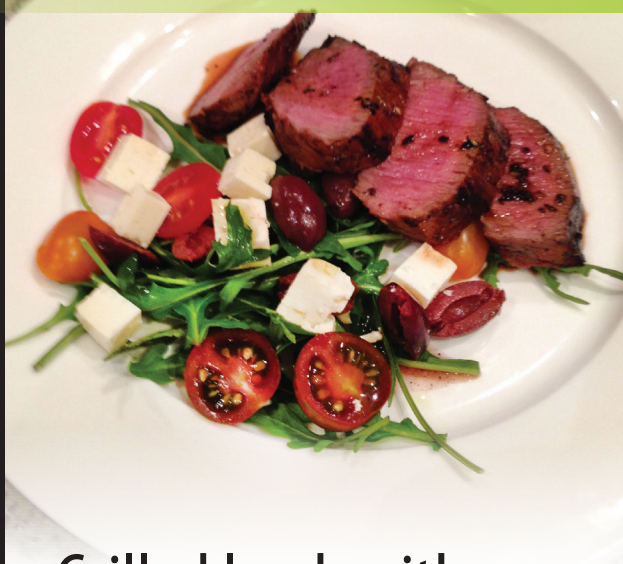
The best way is to get professional advice. You can call the **AMIST Pension Hotline** and ask to be put through to one of our qualified financial planners. They can help you structure your investments to make sure you're getting the best out of them. Just call **1800 255 521**. You can also go to the government's Money Smart website, where there are various online calculators that will help you assess your position. Just log onto **[www.moneysmart.gov.au](http://www.moneysmart.gov.au)**.



*A reporter was interviewing a 103 year-old woman.*

*"And what do you think is the best thing about being 103?" the reporter asked.*

*"Simple", she replied, "no peer pressure."*



## Grilled lamb with olive and rocket salad

### **Serves 4**

600g lamb backstrap  
1 tablespoon olive oil  
2 tablespoon lemon juice  
1 tablespoon honey  
1 tablespoon Moroccan seasoning\*  
1 tablespoon sesame seeds

### **olive and rocket salad**

100g rocket leaves  
250g cherry tomatoes  
200g firm feta  
60g pitted olives, chopped  
2 tablespoons olive oil  
1 tablespoon red wine vinegar

\*Available in the spice aisle at most supermarkets.

Place the lamb in a bowl with oil, lemon juice and honey. Toss to coat. Sprinkle with Moroccan seasoning and sesame seeds and cook on a pre-heated char-grill pan or barbecue over high heat for 3 – 4 minutes each side for medium, or until cooked to your liking.

Divide the rocket, tomatoes, feta and olives between plates and drizzle with combined olive and vinegar. Slice the lamb, place on top of salad and sprinkle with extra seasoning. Serve with lemon wedges if desired.

## Market update

### **AMIST Super's Chief Investment Officer, Megan Pham, explains the improvement in market confidence in the past year.**

The 2012-2013 financial year has been a strong period for investors with economic growth and improved market sentiment across the board. Confidence has been maintained with many Governments around the world continuing to provide monetary stimulus to aid in economic recovery.

In Australia, the Reserve Bank cut interest rates to historical lows of 2.50% in August 2013. This rate is lower than the 3.0% reached during the Global Financial Crisis because of concerns that a gap could exist in growth of the Australian economy once mining investment peaks later in the year.



The Australian currency has strengthened against the US dollar over the last ten years due to strong commodity prices, the growth in China, the easing of US monetary policy and Australia's status as a "safe haven" post the GFC. But in recent months it has slipped due to an improvement in US market conditions. The dollar may continue to weaken further in the years ahead as the

commodity price boom fades. A weaker Australian dollar is not necessarily bad news, however, as it provides opportunity for many industry sectors including exporting and tourism.

It has been a successful year for AMIST Super investment options also, with our Balanced Option providing strong returns in most asset classes, in particular Australian and International shares.

## Performance for this financial year

AMIST Pension Investment options	As at 30 June 2013	
	1 year return	5 year net compound average return
Secure	4.46%	4.94%
Capital Stable	8.24%	NA*
Balanced	15.46%	4.23%
Growth	18.78%	3.44%
High Growth	23.74%	NA*

\* The Capital Stable Option and the High Growth Option were introduced on 1 April 2010.

## AMIST Super launches new-look website



If you go to [www.amist.com.au](http://www.amist.com.au), you'll find that AMIST Super has completely redesigned its website.

Packed with loads of useful information about how your super works, the AMIST Super website is now much easier to navigate.

AMIST Super Marketing & Communications Manager, Leonie Curtis, says the objective was to make the information more accessible. "Now when you land on the home page, you simply select the section that best describes what you want to do," she says. "There's a section for members, for employers, for the self employed, for people about to retire, and a section for temporary residents."

More information will be added over time as well as more content translated into other languages.

And if you're one of the many AMIST Super members who manage your account online, you'll have noticed that the whole experience is faster, easier and simpler to use too.

So have a look around the new-look AMIST Super website. Feel free to give us any feedback.

## Are you getting all of your entitlements?

Centrelink, which runs a Financial Information Service, has been incorporated into the Department of Human Services. This service can help you plan effectively for retirement and show you how you can maximise your overall retirement income. Just call **132 300** or go to **<http://www.humanservices.gov.au/customer/themes/older-australians>** and click on *Age Pension and planning your*

*retirement*, found about half way down the homepage.

The Seniors Card entitles older Australians to a range of benefits provided by government and businesses. It's free and is issued to eligible senior residents in recognition of their contribution to the Australian community. Log on to **[www.seniorscard.com.au](http://www.seniorscard.com.au)** for more information and contact details of Seniors Card in your state or territory.

## Super Words

The words in the list below are hidden in the grid. They can be found running in straight lines, but they could be horizontal, vertical, diagonal or even spelt backwards. And some words may share letters with other words.

Find and circle all the words and you could win **\$100 cash**



AMISTSUPER  
BALANCED  
CAPITALSTABLE  
CASH  
CENTRELINK  
HIGHGROWTH  
HORIZONS  
LOWFEES  
PENSION  
PROPERTY  
RETIREMENT  
RETURNS  
SECURE  
SHARES  
SOLID  
STRONG  
SUPERANNUATION  
WILL

F	R	H	X	N	H	S	S	L	B	N	S	W	B	B
X	E	N	I	S	O	H	R	A	C	T	N	I	S	D
U	P	L	A	G	A	I	L	U	N	J	R	H	E	H
B	U	C	B	R	H	A	S	E	O	S	U	O	C	X
Q	S	U	E	A	N	G	M	N	E	Y	T	R	U	V
V	T	S	J	C	T	E	R	E	E	K	E	I	R	Q
Q	S	N	E	M	R	S	F	O	H	P	R	Z	E	K
G	I	D	K	I	J	W	L	Z	W	H	G	O	K	J
B	M	S	T	R	O	N	G	A	Q	T	L	N	Y	N
S	A	E	U	L	K	B	P	Z	T	P	H	S	M	L
V	R	E	C	E	N	T	R	E	L	I	N	K	R	L
N	O	I	T	A	U	N	N	A	R	E	P	U	S	I
Y	T	R	E	P	O	R	P	M	G	O	Q	A	K	W
F	D	I	L	O	S	C	C	W	P	S	A	D	C	U
H	D	M	D	L	G	R	H	D	A	A	J	S	Y	L

Entries close 29 November 2013. Just send your completed puzzle and details below to: AMIST Super Words GPO Box 4293 Sydney NSW 2001

Please be sure to write your name and contact details clearly.

Name: .....

Address: .....

State: ..... Postcode: ..... Phone: .....

Email: .....

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