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SuperInformed
February 2018

Investing responsibly
Page 6: UniSuper’s Manager of Governance and Sustainable Investment on why responsible investing is more than a buzzword

Eco and friendly
Meet lecturer and environmental specialist, Brad Jessup, on page 4

New: personal accounts
Page 10: Family, former members and others can now join UniSuper
Here’s what caught our interest this month.

A pill that smells your gut for disease?
Researchers Professor Kourosh Kalantar Zadeh, Dr Kyle Berean and Mr Nam Ha from RMIT have successfully completed phase one human trials of ingestible pills that may revolutionise the prevention and diagnosis of gut disorders and diseases.

The smart capsules work by essentially ‘smelling’ your gut to measure gas levels in the gastrointestinal tract. They send data from inside the gut to a receiver connected to a mobile phone, opening new possibilities for diagnosing and treating disorders like irritable bowel syndrome (IBS) and inflammatory bowel disease (IBD).

An easy pill to swallow
Each capsule contains a gas sensor, battery, wireless high-frequency transmitter and a microprocessor. Once swallowed, it carries on to measure the concentrations of selected gases while it travels through the digestive tract and is passed out naturally.

Gut reaction
“The smart pills allow us to identify precisely where the gases are produced and help us understand the microbial activity in these areas—it’s the first step in demolishing the myths of food effects on our body and replacing those myths with hard facts,” Professor Kalantar Zadeh said.

Unisuper members are currently invested in at least one of our sustainable or environmental options. Read about how responsible investing is more than just a buzzword on page 6.
Got a story? We love hearing about what you’re doing and so do our readers! Drop us a line at superinformed@unisuper.com.au if you’d like to be contacted for a member profile in the future, or to share news of your research.

According to superannuation industry research, 51% of Australians end up retiring earlier than they plan to. How ready would you be?

Check how your super’s tracking towards retirement using our Retirement adequacy calculator at unisuper.com.au/calculators.


**THINKERS TO WATCH**

**HEALTH SCIENCE**

Prof. Jenny Graves from La Trobe University won the 2017 Prime Minister’s Prize for Science for her 50-year career in genomic and epigenetic research. In 2002, she suggested that the Y chromosome might eventually disappear.

@ProfJennyGraves

**SOCIAL STUDY**

Prof. Carol Kulik from the University of South Australia found that organisations adopting a certain mix of diversity-blind and diversity-conscious management practices have more highly-engaged older workers.

@CarolKulik

**NEUROSCIENCE**

Dr. Leonie Kirszenblat from the University of Queensland investigates the relationship between sleep and attention. Her work includes looking at the effects of sleep deprivation on the brain.

@QldBrainInst

**Radar**

**Trust Me, I'm an Expert**

This monthly podcast from The Conversation deep dives into the news of the day and brings to life interesting stories from the academic world.

theconversation.com

**Revisionist History**

An oldie but a goodie, Malcolm Gladwell's cult podcast examines the past in a new light—wondering whether we got things right the first time.

revisionisthistory.com

**Chat 10 Looks 3**

The ABC’s Annabel Crabb and Leigh Sales talk all things books, movies, TV, cooking and show tunes in this podcast. Look out for their live shows.

chat10looks3.com

**Future Thinking**

The researchers hope the device will allow personalised diets or drugs to be designed that can efficiently target problem areas in the gut, to help those affected by digestive disorders and diseases. Their next step is raising the capital needed for a large scale human trial, so they can bring the pill to market.

According to superannuation industry research, 51% of Australians end up retiring earlier than they plan to. How ready would you be?

Check how your super’s tracking towards retirement using our Retirement adequacy calculator at unisuper.com.au/calculators.

Welcome

The last 12 months have seen another period of growth and achievement for UniSuper.

We don’t set out to win awards, but we’re pleased to have been recognised again with a number of industry awards—cementing our position as one of Australia’s best performing super funds.

We received the 2017 Super Fund of the Year and Default Fund of the Year, as well as the Best Insurance Offering and Best Advice Offering awards at the Conexus Financial Superannuation Awards. We were also named Industry Fund of the Year at the Super Review BNP Paribas Awards.

Earlier in 2017, Chant West named our Flexi Pension its 2017 Pension of the Year and we also received its Best Fund: Advice Services award.

Now your family can join UniSuper

We recently launched Personal Accounts—our accumulation super product for former UniSuper members and the family of current members. We did this in response to regular member feedback that you’d like more of your family to be able to join UniSuper, and requests from former members wanting to re-join. This new product offers an easy online application process, our full range of investment options and a suite of insurance options.

We’ve been thrilled at the level of uptake of this product since launch, with hundreds of new members joining the Fund. Find out more on page 10 or visit unisuper.com.au/personal.

Expanding our education and advice services

We’ve made it even easier for you to make informed decisions about your super, launching our online webcast library. The library provides live and on-demand recordings of popular super and money management topics.

More than 23,000 members registered for our education services in 2017, which included seminars, podcasts and webcasts.

We continue expanding our advice services, with purpose-built member centres now open in every UniSuper office. Throughout the year, we provided advice services to over 40,000 members through our on-campus consultants, phone-based consultants and financial advisers.

We’ve also launched a new aged care advice service through UniSuper Advice, with referral arrangements to aged care specialist placement firms now in place.
“We recently launched Personal Accounts—our accumulation super product for former UniSuper members and the family of current members ... This new product offers an easy online application process, our full range of investment options and a suite of insurance options.”

And many members are regularly tuning into our award-winning video and podcast series, *Five questions for the Chief Investment Officer* and *Super Informed Radio*. If you haven’t tuned in yet, you’ll find past videos and episodes at unisuper.com.au.

**RECENT DIGITAL ENHANCEMENTS**

Delivering a high-quality digital experience for members is a focus for us, and we’re continually expanding the range of transactions and tasks you can complete through MemberOnline.

You can now verify your identity through MemberOnline, before making withdrawals and other changes to your account. It’s a quicker and simpler experience than the time-consuming process of certifying paper documents. MemberOnline is available anytime, anywhere and on any device.

We continually strive to evolve our Fund in line with your needs. And we’ll continue this important work in 2018.

I hope you enjoy this edition of *Super Informed* and the year ahead.

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**‘APP’ IN HAND**

Having your super at your fingertips is easy!

2. Use the browser’s ‘Add to Home Screen’ function.
3. A shortcut to MemberOnline—which looks like an app—will save to your home screen.
4. Tap the app each time you want to log in to MemberOnline.

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**HIGH MARKS FOR LOW FEES**

UniSuper is among the lowest-fee super and pension funds, according to Chant West’s most recent fee surveys.

Chant West reviews the fees charged by Australia’s largest 100 super and pension funds across a range of investment options, balances and product types.

Our Flexi Pension default Balanced investment option’s fees ranked lowest for $250,000 and $500,000 balances, and second for $100,000 balances.

And our Flexi Pension Balanced option’s fees of 0.63% on a balance of $250,000 were also below the industry average of 1.24%.

Chant West also awarded UniSuper Pension Fund of the Year, and Best Fund: Advice Services in 2017.

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1 Super Fund Fee Survey and Pension Fee Survey, September 2017.
MEET BRAD JESSUP

From an early age, Brad Jessup was curious about what was going on in the outdoors. And his awareness of the environment led him to study and lecture in this area. We spoke with Brad to find out where this interest comes from, and how he’s helping small and social enterprises advance good environmental and sustainability practices.

You’re clearly passionate about the environment—where does this passion stem from?

I grew up by the beach, about 90 minutes from the city. So I enjoyed being outside and was curious about the processes I could see. The summertime storms, the tides that exposed the rock pools, the annual arrival of Christmas beetles and the chirping cicadas. The emergence of the roadside orchids and the growth of tadpoles into frogs in the creek.

At high school, I really enjoyed geography. I became much more interested in the processes that I could not immediately see: the social and political influences on the environment. I had a couple of exceptional geography teachers. They made me want to learn more about environmental systems, and to look critically at how places are governed and used to achieve community benefits—and to see how we could all make a difference.

This passion has led you to help set up the Sustainability Business Clinic at Melbourne Law School. What’s this about?

The clinic provides free legal advice to thirty odd groups, including solar energy co-operatives, free food community associations, and waste recycling start-ups.

The clinic was set up with a friend who I practised law with. She saw a gap in the legal services sector. Small and social enterprises were struggling to get legal advice on technical legal matters at a price they could afford.

We’re trying to fill that gap and encouraging others around the country to do the same.

What’s the one piece of advice you would give to small businesses or social enterprises looking to pursue environmental opportunities? Be in touch.

We’re looking for clients for our next intake. That, and, don’t let perceptions of the law as a barrier limit your ideas or plans. Think creatively and flexibly. The law is, in many respects, facilitative rather than preventative of opportunities. It creates processes designed to advance our public interest and protect us.

If you have options to achieve your goal, your lawyer will be able to help you navigate the law relevant to your industry and business, and let you know what elements of your plans to sweat and what to drop.

MY IDEAL RETIREMENT?

I’m almost ready to transition to my retirement. I’m toying with the idea of studying a diploma in landscape design and starting a part-time business co-designing and co-gardening spaces with others who want to learn skills and knowledge. Whether or not this happens, my retirement will be in the garden, by the beach, looking forward to the change of the seasons.
Responsible investing is more than a buzzword

If you’ve heard the term ‘responsible investing’ a lot lately, you’re probably not alone. More and more people are looking to the way their super fund responds to environmental, social and governance issues. We take a closer look at what it means to invest responsibly, what UniSuper’s doing about it, and how can you get involved.
Talieh Williams’ role as UniSuper’s Manager of Governance and Sustainable Investment is a busy one. “We’re constantly out in the field, talking to and working with the companies we invest in,” Talieh says. “Members are always interested to learn that UniSuper is focused on the environmental, social and governance (ESG) performance of the companies we invest in. But actually, I think what’s even more interesting and important is the work we do behind the scenes with these companies.”

UniSuper assesses ESG factors for all investment decisions. “We can’t afford not to. We need to know the broader ESG risks and opportunities that all our investments face, so we can better understand how they might impact our analysis and decisions. Ultimately, if a company manages ESG well, it likely manages other issues well, too,” she says.

UniSuper adopts a holistic approach to responsible investment. “We use climate change risk assessments, conduct internal ESG due diligence before we invest, and continuously monitor the portfolio.”

‘ACTIVE’ OWNERSHIP
John Pearce, Chief Investment Officer, believes that central to UniSuper’s approach to responsible investing is being an ‘active’ owner—and key to this is taking an ‘engaged’ rather than ‘activist’ approach.

“Activist investors tend to invest in underperforming, poorly-governed companies, and seek to aggressively drive change to shake up company management and boards,” John says. “Ultimately, we believe that being an engaged owner and using our ownership rights responsibly, through private and respectful engagement—combined with our shareholder voting rights—is the most effective way to communicate with and influence these companies.”

Talieh says some of the key topics UniSuper addresses with companies are remuneration, board succession planning, climate risk management, occupational health and safety, and human rights in the supply chain. “And where necessary, we seek to drive change where we have concerns about the way companies are managing ESG.”

Talieh’s team has been especially active in engaging with companies about the way they manage the physical and transition risks associated with climate change. “As a result of our and other investor efforts, we’ve seen a number of companies make better disclosures about how they’re managing these risks.”

DUTY BOUND
John adds that UniSuper is restricted legally in terms of what can and can’t be included in portfolios. In short, we have a ‘fiduciary duty’ to invest in members’ best financial interest. “As a fiduciary, we simply cannot consider an investment that delivers below-market rates, regardless of the virtues of such an investment from a public benefit perspective.”

And while trends such as ‘impact’ and ‘ethical’ investment are growing across the super fund sector, John warns that members of such funds should be mindful of outcomes. “Super funds getting more involved in this space is, of course, admirable—provided that investments are consistent with their fiduciary responsibilities to act in their members’ best financial interests,” he says.

“Our Sustainable Balanced option has outperformed most other ethical and environmental peer fund options over the last five years.”

"feature-story"
“I note, for example, our Sustainable Balanced option has outperformed most other ethical and environmental peer fund options over the last five years, in terms of lower costs and higher returns.”¹

GETTING INVOLVED
In addition to being a responsible investor and considering ESG across all investments, we also provide a range of investment options for members interested in sustainable and ethical investing.

“Our Sustainable Balanced and Sustainable High Growth options invest in companies that are highly rated for their sustainability performance,” Talieh says.

These options don’t invest in alcohol, gaming, weapons and fossil fuel exploration and production sectors—in addition to the fund-wide exclusion in tobacco. Sustainable Balanced also invests in ‘green bonds’, which provide debt finance to fund the development of renewable energy and energy efficiency projects.

The Global Environmental Opportunities option invests in companies that focus on delivering products or solutions across five key areas: clean energy, energy efficiency, waste/pollution control, clean water, and green buildings.

All three of these options seek to exclude investments in companies in breach of the UN Global Compact.

In addition, seven of our 16 options have no direct exposure to fossil fuels: Sustainable Balanced, Sustainable High Growth, Global Environmental Opportunities, Cash, Australian Bond, Diversified Credit Income and Listed Property.

“So really, members have quite a few options to consider if they’re interested in getting involved,” Talieh says.

Past performance isn’t an indicator of future performance.
Introducing Personal Accounts

You no longer have to be working in higher education or research to become a UniSuper member. As long as you’re living in Australia, former UniSuper members and family of current members can now join us through our newest product—Personal Accounts. Personal Accounts offer accumulation-style super (like our Accumulation 1 accounts), which means your super balance grows through contributions and investment returns.

You decide how you want to invest your super by choosing from our range of investment options. A suite of insurance options such as Death, Total and Permanent Disablement (TPD) and Income Protection cover are also available if you’re eligible.

Over the years, many members have told us they’d like their broader network—not just their spouse—to be able to join us too. We’ve listened!
WHY CHOOSE UNISUPER?

1. A record of strong long-term investment returns. We’re proud to have achieved returns that have exceeded industry benchmarks and averages for various investment options.*

2. Value for money. Our administration fees are kept at competitive levels, and we don’t pay commissions to our financial advisers.

3. Financial advice from an organisation you know. With UniSuper Advice, you can feel confident you’ll get the information you need to grow your super and finances. To find out more, contact 1800 UADVICE (1800 823 842) or visit unisuper.com.au/advice.

JOINING HAS NEVER BEEN EASIER.
Our online application only takes 10 minutes to complete and you don’t need to make an initial contribution. Simply sign up online at unisuper.com.au/personal.

SO WHO’S ELIGIBLE TO JOIN?
You can open a Personal Account and enjoy the benefits of being a UniSuper member as long as you’re living in Australia and are:
→ related to a UniSuper member
→ a former UniSuper member wanting to re-join, or
→ working in an honorary or affiliate role with a university.

A PERSONAL ACCOUNT IS YOUR GATEWAY TO OUR PENSIONS
If retirement is something you’re starting to think about, Personal Accounts can serve as your gateway to UniSuper’s pension products. Retiring UniSuper members can enjoy the flexibility provided by our Flexi Pension, or a regular income for life offered by our Commercial Rate Indexed Pension (CRIP). Find out more about our pension options at unisuper.com.au/pensions.

READY TO MAKE IT PERSONAL?
Why not invite your family members to invest in their future and join UniSuper? Find out more at unisuper.com.au/personal.

* The value of investments can rise and fall, and past performance shouldn’t be relied upon as an indicator of future performance.
FIVE THINGS YOU MAY NOT KNOW ABOUT BINDING NOMINATIONS

Your super will grow to become one of your most valuable assets, so it’s important you understand where it’ll go when you’re gone. Did you know that ‘binding nominations’ can empower you to tell your super fund exactly that? Here are five things you may not (but probably should) know about them.

1 YOUR WILL WON’T COVER YOUR SUPER
Many people don’t know this, but your super usually won’t automatically form part of your Will. Your Will covers assets you own (like property, investments and savings). Your super is governed by superannuation law and is held in a trust by the trustee of your super fund. This is why different rules apply and why it’s important to let us know how you’d like your death benefits distributed.

2 A VALID BINDING NOMINATION GIVES YOU THE FINAL SAY
Some family arrangements are complex and the number of blended families is increasing. This is a common factor in many of the death benefit disputes coming before the Superannuation Complaints Tribunal. You can control who can share in your death benefit by making a valid binding death benefit nomination.¹
WHAT TO DO NOW

→ Check if you have a nomination by logging in to MemberOnline or calling us.
→ Check your beneficiaries are valid and eligible to be nominated.
→ If you’re nominating a legal personal representative, make sure your Will is up to date.
→ If you joined the Defined Benefit Division before 1 January 1990, seek advice before making a binding nomination.
→ To nominate, complete the Binding death benefit nomination form at unisuper.com.au/forms.
→ Make sure you keep your nomination up to date.

WHERE CAN YOU GET HELP?
Each year, the UniSuper Advice team helps members navigate the financial side of important life events. Call UniSuper Advice on 1800 UADVICE (1800 823 842) to see how we can help you.

YOU HAVE OPTIONS
You can choose the type of nomination that best suits your needs. We offer binding (lapsing and non-lapsing) or non-binding death benefit nominations. If you’re a Flexi Pension member, you can also select a reversionary beneficiary nomination. If you make a valid reversionary nomination, the balance of your pension will continue to be paid to your nominated dependant after your death as a pension rather than a lump sum.

YOU CAN’T NOMINATE JUST ANYONE
To be valid, a beneficiary must be a ‘superannuation dependant’ or legal personal representative. A dependant may include your spouse, child, someone in an interdependency relationship with you or someone financially dependent on you. Visit unisuper.com.au/beneficiaries for more information.

A BINDING NOMINATION DOESN’T HAVE TO BE FOREVER
We offer lapsing and non-lapsing binding death benefit nominations. A lapsing nomination expires after three years, whereas a non-lapsing nomination doesn’t expire (unless you change or revoke it). You can revoke or change your binding nomination at any time.

DID YOU KNOW?
→ More than half of our members have a beneficiary nominated on their UniSuper account.
→ According to the Superannuation Complaints Tribunal, almost one-third of all complaints are about death benefits.

1 Binding nominations aren’t available to UniSuper members with Commercial Rate Indexed Pensions or Defined Benefit Indexed Pensions.
2 Just be sure to consider any Centrelink impacts a reversionary beneficiary might have on your Age Pension.
WANT TO HEAR MORE FROM BRIONY?  
Briony discusses elder abuse on episode 9 of our Super Informed Radio podcast. She also answered member questions in our webcast, recorded in November 2017. For more, head to unisuper.com.au/learning-centre.

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MEET BRIONY DOW

We’re starting to hear more and more about elder abuse. But what is it, why does it occur and how can you safeguard yourself against it? Briony Dow, Associate Professor of Ageing at the University of Melbourne and Director of the National Ageing Research Institute, helps us understand more about this complex issue.

How would you define elder abuse? Using the World Health Organisation’s current definition, it’s either an act—or a failure to act—that causes harm and distress to an older person, but happens within a relationship of trust. Usually, it’s a family member or someone who’s providing care to an older person. It’s categorised into six different types of abuse: financial (the most common), emotional, sexual, physical, neglect, and social—whereby the abuser will isolate the older person so they can’t communicate with their friends or anyone who provides support.

Why are we hearing more about elder abuse? We have more older people, so we therefore have more elder abuse. But I also think there are some intergenerational issues that are playing out more strongly now. The older people probably tend to be more asset-rich than perhaps younger generations. We’re seeing more family breakdowns, and people with drug and alcohol problems living into older age. Often it’s this cohort of the community that are abusing their parents.

What are your tips for older people? If you’re concerned you might be a victim of elder abuse, call the helpline in your state and get advice about what you need to do.

When we spoke to older people who had experienced this, their advice was, “Don’t sell your house, give money or mortgage your home. Think carefully before you go and live with your children or your in-laws. Take full control of your finances, regardless of what your children promise or what they say they will do.”

My Ideal Retirement?
Retirement isn’t that far away for me! It’s likely to last a long time for my generation, so I see myself travelling but also contributing to the community through volunteer or part-time paid work. My friends and I have discussed designing and building our own retirement living which would be intergenerational. We’d have young people there, perhaps single mums looking for work who want to care for us. How long I need to keep working for to fund my retirement? I’m not sure.

WHAT WOULD TRAUMA COST YOU?

Trauma insurance cover may be worth considering if you want to protect yourself from upfront expenses involved with a traumatic health event.

Could you continue to work and support yourself, or your family, if the unexpected occurred?

Trauma cover—often overlooked—is a type of insurance which pays a lump-sum benefit in the event you suffer from a defined health event like cancer, stroke or heart attack.

Unlike death, total and permanent disablement (TPD) and income protection cover, super funds can’t offer trauma cover. But it can be purchased from some insurers, or via financial advisers who can act as brokers and find you the best rated policy.

Trauma cover payments can cover things like out-of-pocket medical expenses, physical therapy or other expenses arising from a change in lifestyle following a traumatic health event.

Unlike income protection cover held outside of super, trauma cover isn’t tax deductible.

Like all insurances, there’s a lot to consider when deciding on the most appropriate type or level of cover.

Assess the type and level of any existing cover you may already have, like health insurance, income protection and/or TPD cover.

And remember—these insurances all cover different things.

Income protection pays a regular income of up to 85% of your income (usually your income at the time of claim), but generally won’t pay for other expenses arising from a traumatic health event. TPD pays a lump-sum benefit if you’re permanently unable to work.

Health insurance is provided as ‘hospital’ and ‘extras’ cover, and reimburses expenses like hospital admissions, or ancillary health services like dental, optical and physiotherapy.

Be sure to consider the finer details of your existing insurance arrangements.

For example, income protection payments are usually subject to a 30, 60 or 90-day waiting period, and health insurance can have different levels of excess charges, gap payments and exclusions.

Trauma cover policies include a defined list of medical conditions which they will and won’t cover, so it’s really important you know what you’re covered for.

There’s also the choice of ‘level’ or ‘stepped’ premiums. Level premiums stay the same over time (adjusted in line with inflation), but are generally more expensive when you’re younger. Stepped premiums are generally cheaper when you’re younger, but the cost increases over time.

You can also choose to have your benefit increase over time automatically—typically in line with inflation.

Need help? Our financial advisers can help assess the most appropriate cover for you, in line with your broader financial and personal situation. Call 1800 UDAVICE (1800 823 842) to learn more.

Written by Jamie Laird
Private Client Adviser
When planning for retirement, your focus might understandably be on your finances. But don’t underestimate the importance of preparing emotionally for life after work.

If you’re retiring from full-time work in, say, an office environment, you aren’t just leaving a 40-hour a week job. You’ll also be leaving a social network, a routine and a purpose-filled day.

The challenge ahead is replacing this life with one that is equally or even more fulfilling.

This may prove easier for those of us who considered work a means to an end, as the prospect of being able to concentrate on other interests will be exciting to plan. But if you’re fortunate enough to have had an enjoyable and meaningful career, you could be faced with a more daunting task.

Between 10–20% of older Australians have milder symptoms of depression that interfere with enjoyment of life⁴ and anxiety is our most common mental health condition.² So it’s more important than ever to ensure you’re emotionally ready to retire.

Many people draw a large part of their personal identity and sense of purpose from their work, so it’s imperative to plan meaningful pursuits once you’re retired. Is there anything you’ve always wanted to do, but just not had the time? Planning these activities and hobbies will give you a sense of personal fulfilment. They’ll also get you excited and put you in a positive frame of mind as you transition into this new stage of your life.

Whether you feel a kinship with your colleagues, or just think of them as people who occupy the same space as you for most of the day, a job provides you with a social network.

Avoid losing touch with colleagues you consider friends, and make a plan to stay social and forge new relationships. This may mean catching up with existing friends and family a few times a week, or actively pursuing new friends by volunteering or joining social special interest groups.

UniSuper recently partnered with SuperFriend, an organisation that works to create mentally and emotionally healthy workplaces with the aim of reducing the impact of mental illness.

SuperFriend recommends using the “five ways to wellbeing” as a technique to help you emotionally prepare for a fulfilling retirement.³ The five tenets are: connection with others, mindfulness, being active, giving back, and continuing to learn.

We also co-present our Preparing for a mentally healthy retirement seminar with SuperFriend. This free seminar helps members form realistic expectations about retirement—by understanding the link between expectations, satisfaction and wellbeing—and learn which factors contribute to adjusting well and poorly to retirement.⁴ Go to unisuper.com.au/seminars for details of upcoming seminars and to sign up. For more information about SuperFriend, visit www.superfriend.com.au.

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FOR THE LOVE AND THE MONEY

Family members—especially grandparents—often play a big role in caring for the children of busy parents. But some may not be aware that their role as a carer might make them eligible for Centrelink benefits.

People who care for children, including relatives, friends or neighbours, can apply to be ‘registered carers’, and receive Centrelink payments in addition to any payments made by parents or guardians.

The current registered care rate for a non-school aged child for up to 50 hours of care per week is $80.719 per child per hour, or $35.95 per child per week. Payment rates for school aged children are 85% of the non-school aged rate.

To become a registered carer, you must:

- provide care to one or more children on a regular basis, and
- be aged 18 or over, or
- be aged under 18 and have relevant qualifications in child care, home-based help, or as a nanny.1

Application processes differ between states and territories—visit www.acecqa.gov.au to find your local authority. Most require criminal checks, a Working with Children Check (WWCC), or in some cases, a ‘Blue card’ (effectively a WWCC ‘licence’). Once you’re a registered carer, you can apply to the Department of Human Services (DHS) by completing the Registered Carer Application form.

Family Tax Benefit (FTB) Part B, commonly paid to parents or guardians, can also be paid to eligible grandparents and great-grandparents who care for a child at least 35% of the time.2 You’ll find the payment rates in the table above.

To receive this benefit, the children must:

- be aged 16 or younger, or
- be a full-time secondary student up until the end of the calendar year in which they turn 18.3

FTB Part B is means-tested. Generally, grandparents or great-grandparents are ineligible if an individual or member of the couple’s income exceeds $100,000 per year. For couples with one partner earning $100,000 or less, the second partner must earn less than $27,613 when caring for at least one child under five years old, and $21,499 for 5-18 year-old children.4 Speak to the DHS to check your eligibility.

The DHS’s Grandparent Adviser service provides information on the benefits available to eligible grandparents. To find out more, call 1800 245 965.

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2 Grandparents or great-grandparents refer to a biological, adoptive or step-relationship to the child.
3 Home schooling children aged 16-19 is not included as part of the FTB requirements.
The economic impact of identity crime in Australia is estimated to be $2.2 billion\(^1\), and it’s one of the most prevalent crimes in Australia. So it’s no surprise that at UniSuper, we take it pretty seriously.

We regularly update our processes and systems to mitigate cybercrime risks. But there are steps you can take to safeguard your personal information too. We wouldn’t leave our homes unlocked while out, so why take a different mindset in protecting our personal information?

It’s important to understand the true value of your personal information. Your name, date of birth, tax file number, driver licence and passport details are all pieces of information that—in the wrong hands—can compromise the security of your online accounts.

And with email, bank and social media accounts among the most commonly targeted in identity crime\(^2\), here are some tips to help ensure you’re using these accounts safely.

The Australian Cybercrime Online Reporting Network (ACORN) suggests users look out for suspicious and unsolicited emails. This could include an email telling you you’ve won a prize in a competition you didn’t enter, or promises of vast wealth if you follow ‘just a few simple steps’.

More worrying are emails that appear to be from your financial institution asking you for your personal details. If you’re concerned that you’ve received such an email, Stay Smart Online suggests contacting the organisation directly using details found from a legitimate source, and not from the email you received.\(^3\)

And it goes without saying that passwords and other confidential information should never be shared via email.

Stay Smart Online suggests that users type their bank’s website directly into their internet browser, rather than searching for it via a search engine.\(^3\)

It’s crucial to have a strong password that you change regularly, and to always log out of your account once you’ve finished.

We share a lot about ourselves on social media these days. But the information you share can be easily accessed by people you don’t know—however ‘private’ you think your settings might be.

Remember to only accept friend requests from people you know and use a different, strong password (that you change regularly) for each of your social media accounts. Stay Smart Online recommends being particularly careful about posting information that could compromise your security, including your date of birth, address, holiday plans, your daily routine and photographs of your friends and family.\(^3\)

The bottom line—you can never be too careful when it comes to protecting yourself online. For more detailed information and tips, visit www.staysmartonline.gov.au.

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Written by
Vijay Krishnan
Head of Information Security
CHANGES TO SUPER

Legislative update

2017 FEDERAL BUDGET
Two measures affecting super from the 2017 Federal Budget became law in December 2017. There are tax and other financial issues to consider with both of these measures, so we recommend you seek financial advice if you’re interested in taking advantage of them.

First Home Super Saver Scheme (FHSSS)
The FHSSS allows people to make additional voluntary contributions to their super and release them to make a contribution to the purchase of their first home.

The scheme applies to voluntary contributions made to super after 1 July 2017. Savers can contribute up to $15,000 per year, or $30,000 in total.

Voluntary contributions include:
→ concessional (before-tax) contributions (including salary sacrifice contributions), and
→ non-concessional (after-tax) contributions.

The contributions will still count towards the applicable contributions caps, but can be withdrawn from 1 July 2018 to purchase a first home.

Contributing the proceeds of downsizing to super
This measure will allow the proceeds of downsizing a family home to be contributed into the super system.

From 1 July 2018, people aged 65 and over will be able to make a non-concessional (after-tax) contribution of up to $300,000 into their super from the sale of their primary residence. These contributions won’t count towards the concessional or non-concessional contributions caps.

Your ability to make a downsizer contribution isn’t affected by the ‘total superannuation balance’ test. This means that if you have a total super balance of $1.6 million or more, you’ll still be able to make these top-ups. Note, though, that the ‘transfer balance cap’ will still limit the amount that you can transfer to the concessionally-taxed pension environment.

OTHER ANNOUNCEMENTS
In September 2017, the Government announced a raft of proposed changes to super under the heading: Improving accountability and member outcomes in superannuation announcement. If legislated, these proposals would introduce:

→ a new Outcomes Test—requiring trustees to undertake an annual determination to ensure outcomes are in the financial interests of their members
→ enhanced powers for the Australian Prudential Regulation Authority (APRA)
→ a new penalty regime—aligning the superannuation director penalty regime with the penalty regime that applies to directors of managed investment schemes
→ annual members’ meetings—requiring super funds to hold annual members’ meetings to allow members to ask questions about all areas of performance and operation, and
→ an extension of Choice of Fund—which would remove the exemption from Choice for those covered by Enterprise Bargaining Agreements (EBAs). If legislated, once a new EBA is made after 1 July 2018, employers will be required to offer Choice of Fund to most of their staff. The Choice rules include an exemption for defined benefit members (i.e. defined benefit members won’t be eligible for Choice of Fund, but new employees who are not yet defined benefit members will be entitled to Choice). UniSuper is currently working through the implications of these proposals which, if legislated, will take effect progressively from 1 July 2018.
Financial System Inquiry
Another public policy issue we’ve been closely monitoring is the Financial System Inquiry’s recommendations that super funds develop new ‘comprehensive income products for retirement’ (CIPRs). These would include a longevity component, such as a lifetime pension. Given this recommendation remains in the early stages of policy development, funds have not yet ventured into this market.

The Government has also proposed new legislation to create a new body, the Australian Financial Complaints Authority (AFCA). It would replace the Financial Ombudsman Service (FOS), the Credit and Investments Ombudsman (CIO) and the Superannuation Complaints Tribunal (SCT) and provide a one-stop shop for consumer dispute resolution.

The proposed AFCA launch date is expected to be 1 July 2018, meaning all new complaints would need to be referred to the AFCA. A transition period would see any existing SCT matters reviewed before 1 July 2018 managed until the SCT ceased operating on 30 June 2020.

We’ll keep you updated with developments as they come to hand. For the most up-to-date information, go to unisuper.com.au.

UniSuper update
On 1 October 2017, we implemented the following insurance changes:

→ For Defined Benefit Division members exercising day one contribution flexibility, we extended the time period in which they can send us their fully completed and signed application forms for default insurance cover. The time period is now 60 days (it used to be 30 days).

→ For Income Protection cover, we removed ‘unarmed security guards employed within the sector’ from the list of excluded occupations.

→ We introduced insurance cover for Personal Account members.

Other important updates
The following amendments have been made to the UniSuper Regulations and Trust Deed, which govern how the Fund operates.

The Trust Deed has been amended with effect from 25 November 2017 to:

→ clarify the definition of ‘service fraction’ to ensure that the effect of temporary allowances on the service fraction of full-time members is no longer in doubt, and

→ correct a typo in the definition of ‘taxation amount’.

The Regulations were updated on 1 October 2017 to reflect the categories of people eligible to open a Personal Account:

→ former UniSuper members

→ family members of current UniSuper members

→ family members of a person who died while a UniSuper member

→ individuals who hold (or previously held) non-remunerated or honorary positions with a participating employer, or are on the governing body of a participating employer or higher education or research sector affiliate.
AWARD-WINNING FUND

With a string of awards and high ratings from Australia’s top ratings and research agencies, SuperRatings and Chant West, we’re one of Australia’s most award-winning super funds.

SuperRatings, a superannuation research company, has awarded UniSuper a Platinum Choice rating for its accumulation products, something only the ‘best value for money’ funds receive. Our accumulation products have also achieved a 10-year Platinum Performance rating. Go to www.superratings.com.au for details of its rating criteria. SuperRatings does not issue, sell, guarantee or underwrite this product.

Chant West awarded UniSuper ‘Super Fund of the Year’ in both 2015 and 2016, and ‘Pension Fund of the Year’ in 2017. UniSuper was also awarded ‘Best Fund: Advice Services’ in 2017. UniSuper’s Accumulation 1 and 2 products have received a 5 Apples rating. For information about the methodology used, see www.chantwest.com.au.

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