



# SA METROPOLITAN FIRE SERVICE SUPERANNUATION SCHEME

Summer 2009-2010

## SUPER INFO

*This Newsletter is issued by SA Metropolitan Fire Service Superannuation Pty Ltd ACN 068 821 750,  
99 Wakefield Street, Adelaide 5000.*

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**Welcome** to the Summer edition of Super Info.

### **Confirmation letters for Change of Details**

#### ***Name and address changes***

We've recently had a few queries about letters received by members when changing name or address details. Given this feedback we thought it might be useful to explain our processes to you by way of a 'FAQ':

**Q. I've changed my address and received a confirmation to my old address – why?**

A. When we update your address on our computer system two letters are automatically generated. The first is to your new address to confirm that we've made the change. The second is sent to your old address as an added security measure to help prevent mail theft by way of fraudulent address changes.

**Q. I've received a letter advising of a change of personal details – but I haven't changed anything. What's going on?**

A. Our computer system will automatically generate a letter advising of a change in details – no matter how minor. For example, if we receive a form and notice that your name needs updating (e.g., from **J** Bloggs to **Joe** Bloggs), then we'll update our records and a letter will then be sent to you to advise

of the change. If the details shown on the letter are correct, then you need take no further action.

These letter confirmations are the best way to ensure the integrity of your details on our system and are based on a global 'best practice' procedure. If you ever receive a letter advising of a change to your details – and those details are incorrect – make sure you let us know immediately so we can rectify the matter.

### **Administration fee changes – Parked and Spouse members**

Effective 1 January each year the direct administration fees charged to Parked and Spouse members are increased in line with Average Weekly Ordinary Time Earnings to ensure that the costs of administering the Scheme are appropriately covered.

As a consequence, the direct administration fees for Parked and Spouse members will be increasing from \$3.32 per week to \$3.48 per week with effect from 1 January 2010. Your asset-based investment fees will remain unchanged.

Please contact the Manager (Alan Kent) on 8204 3826 for any further information.

### **Superannuation Overview**

Australia's superannuation system is the envy of the world and not only because it has a compulsory component, but because of its great coverage – nearly 90 percent of the Australian workforce.

# SUPER INFO

Summer 2009-2010

While the system as we know it today is still relatively recent, we have a very long culture of providing for retirement.

Compulsory super has been with us since 1992, but some Australian corporate funds have been in operation for 100 years. All Australians should be able to enjoy a dignified standard of living in retirement.

We know this is not a new concept, but how we achieve it has changed, particularly since the advent of the Superannuation Guarantee and it continues to evolve. There are still gaps and inequities in our system and room for improvement, but that does not mean that superannuation is failing in its job.

Let's look at some statistics:

- The number of funds in the Australian system is currently around 190 (corporate), 68 (industry), 40 (public sector) and 168 (retail) plus 400,000 or so Self Managed Superannuation Funds. Together, they have well over \$1 trillion in funds under management.
- There are over 31 million accounts – with the bulk of those being accumulation.
- Annual contributions to superannuation are more than \$120 billion.
- Benefit payments today amount to nearly \$40 billion a year. The balance between contributions and benefit payments will change with the ageing population.
- Rollovers are, not surprisingly, fairly even - \$10 billion a quarter, in and out.
- As at the June quarter 2009, net growth across the superannuation industry was just shy of \$40 billion for the three months.
- About 9 percent of superannuation money is invested in cash, 18 in fixed interest, 23 in international shares, as well as unlisted assets, private equity and property. The superannuation industry owns over 23 percent of the shares on the Australian Stock Exchange.
- The average super balance for men today is \$88,000 and for women, around \$53,000.

- 66 percent of people in retirement today have the age pension as their principal source of income, compared to 11 percent for super.

We must have a system that provides a "floor", to ensure dignity in retirement. Equally, there must be an appropriate ceiling on tax incentives to put money into super. The super system will not work and thrive unless it is universal, fair, efficient and sustainable.

Research recently undertaken by industry bodies indicates that:

- People with super have a significantly higher standard of living in retirement.
- The super system significantly contributes to GDP – household savings and investment.
- The investments by funds help drive venture capital, private equity and new technology.
- Members pay their way by providing significant taxation revenue to the government.

We know change can be confronting, but there are strong indications that after the Government has determined its response to the Henry and Cooper Reviews, we will hopefully see a prolonged period of stability for super. Australia needs a system today that will sustain us now and for generations of Australians to come.

## **The importance of having a Will.**

Having the right insurance in place is of limited use if the money isn't given to the right people. To ensure that your family receives everything they're entitled to, it's vital that you have a valid Will in place. Even if your family circumstances are relatively simple, having a Will can streamline the process and remove an unnecessary source of stress during an already traumatic time.

If your family circumstances are complicated, a Will becomes an absolute necessity. Leaving your extended family to struggle with the intricacies of your estate can put an enormous strain on your loved ones.

# SUPER INFO

Summer 2009-2010

Without a legal Will, legislation will dictate how your assets are to be distributed after your death and even who will look after your children (if they are still minors).

A will is the core component of your estate planning and we urge you to seek professional advice.

## Online and on track



Here are some helpful hints to assist you in using your web access ([www.samfs.superfacts.com](http://www.samfs.superfacts.com)) more effectively:

- Keep track of your super through online access to your account. By using online access, you're able to review your super balance, investment performance and unit price information along with details of recent transactions quickly and easily 24 hours a day.
- Refer to 'Quick Links' on the left hand side to access your Member Benefit Guide, Super Info and information on using our website.
- On the Home Page a Salary Sacrifice Calculator is supplied for your use as well as a link to Investment Performance Updates.
- To log in you'll need your member number and password. You can find

your member number on your member benefit statement which was sent to you. Your PIN would have been sent to you previously.

If you've lost your PIN, ring the Helpline on 1300 132 573.

- Once you have your PIN, log in on the left hand side of the screen and follow the prompts for easy access to your account, current investments and recent transactions.
- Don't forget to check back on a regular basis for any latest updates.

## Check List.

Members are again reminded of the following:

1. **Change of Address.**  
Have you advised the Scheme of your change of address?
2. **Nomination of Beneficiary Form.**  
Is your Nomination of Beneficiary form up to date?
3. **Leave Without Pay**  
Are you going on Leave without Pay for an extended period?
4. **Long Term Sick leave.**  
Members under age 60, is your sick leave due to run out?
5. **Working less than 20 hours per week.**  
For members working less than 20 hours per week, your insurance cover may be reduced.

*Please advise the Scheme on any of the above and contact the Manager, Mr Alan Kent on 8204 3826 for any clarification you may require. Information is also available in the Member Benefit Guide on the website [www.samfs.superfacts.com](http://www.samfs.superfacts.com)*

**Note:** If you are on extended leave at any time, you can always access the Super Info on the website.

6. **Salary Sacrifice Forms.**  
Please ensure you send in **both original** signed Salary Sacrifice forms to this office, ie the Form 8

Salary Sacrifice and the Notification of Salary Sacrifice to Payroll. If you fax your copies in, we still need the originals to be signed off by the employer before forwarding to Shared Services.

## 7. Cessation of Salary Sacrifice

There appears to be some confusion regarding which forms are sent in to cease salary sacrifice. Please note that there are two forms that need to be filled in. The Form 8 Termination of Salary Sacrifice and the Notification of Cessation of Salary Sacrifice.

All forms can be accessed from 'Your Library' section of the Scheme's website under 'Member documents'.

**Alan Kent**  
**Manager**

**Important Notice:** *The information in this Newsletter is for educational purposes only and is not intended to be advice. It has been prepared without taking account of your personal objectives, financial situation or needs. Therefore, before acting upon any of the information in this Newsletter, you should consider its appropriateness having regard to your objectives, personal situation and needs. It is recommended that you seek professional financial advice from a licensed or appropriately authorised financial adviser before making any decisions in respect to your membership of the Scheme. Please note that there are no guarantees of the investment performance of the Scheme's assets and the value of your investment in the Scheme may rise or fall from time to time. You should also note that past performance is not an indicator of future performance. For further information about the Scheme, you should read and consider the Scheme's Member Benefit Guide which you can obtain by calling the Manager on (08) 8204 3826*