

## Video: Plan for your retirement with GESB

Welcome to the GESB tutorial on retirement planning. Today, we like to show you how you can start planning for your retirement.

In Australia, we have a retirement income system built on three pillars:

- The Age Pension provides basic support to pensioners with limited income or assets.
- The 9% superannuation guarantee paid by your employer ensures compulsory savings through super.
- Voluntary savings lets you choose how you save, and provides incentives for saving towards your future retirement, usually in the form of a tax concession.

According to recent research, to live comfortable after retiring, a single person needs \$37,829 per year, and a couple requires \$50,561 per year.

*(Source: Westpac AFSA Retirement Standard survey, December 2008  
The figures assume that the retiree(s) own their own home. The figures relate to expenditure by the household. This can be greater than household income after income tax where there is a drawdown on capital over the period of retirement. Single calculations are based on female figures.)*

For most people, that means the 9% employer contribution alone isn't enough to maintain a comfortable lifestyle.

### **So how do you make sure that you have saved enough for your retirement?**

The first step is to work out what the value of everything you own will be after retiring, and what level of annual income you think you'll need. The key is to start planning as early as possible so you have enough time to put your retirement plan in place.

The GESB website is a great place to start. It provides calculators, articles and fact sheets to help you make sense of retirement planning.

Experience tells us that most people should aim for a retirement income of about 70% of what they were earning before retiring.

### **Next, think about what you'd like to achieve and how to achieve it.**

- Do you plan to stop working, reduce your hours or to continue to work?
- Would you like to receive a steady income from your super or would you prefer to take out lump sums as and when you need to?

Whatever your preference is, at GESB we have a number of solutions to help you achieve your retirement goals. Our free retirement planning seminars can help you get started, and if you need personal advice, consider getting advice from GESB Financial Advice, our wholly owned subsidiary.

## Options

When it's time to start enjoying your retirement benefits, you've got a few options for accessing your super.

- The **GESB Allocated Pension** provides a regular income and allows you to make lump sum withdrawals as you need to.
- If you decide to work less, you can start a **Transition to Retirement** pension. You'll receive a pension to supplement your regular income and you'll still be able to top up your super. You just won't be able to take out lump sums until you actually retire. This is also a good option if you choose to continue working normal hours. You can then use your Transition to Retirement pension to supplement your income or boost your super savings by salary sacrificing part of your income back into super.
- Once you reach preservation age, which is currently 55 for most people, and you haven't decided what to do, then the best option for you might be to simply **leave your money in super** so it can keep growing. You can keep topping it up but if you have met a condition of release, such as permanent retirement, you can also take money out as and when you need to.

Our Product Information Booklets, which you'll find on our website, will help you understand your options better.

## More information and advice

If you need some advice about your financial position, you can talk to one of our qualified financial advisers at GESB Financial Advice. GESB Financial Advice is a wholly-owned subsidiary of GESB and can offer a one-on-one service tailored to your personal needs.

GESB Financial Advice is always open about the fees they charge for their advice, so you'll know the costs upfront before you decide to go ahead.

To talk to a financial adviser, call us on 13 GESB or visit [gesbfinancialadvice.com.au](http://gesbfinancialadvice.com.au).

So, to start planning today, visit our main website – [gesb.com.au](http://gesb.com.au), to help you make sense of your options. There are calculators, fact sheets, articles and a range of other useful information. You can also attend one of our free seminars, which you can book online or over the phone on 13 GESB.

Thanks for watching and stay tuned for more tutorials from GESB.

## Disclaimer

The information in this video is of a general nature. If you need advice that takes into account your investment objectives, financial situation or needs, consult a suitably qualified adviser. Products are issued by GESB; before making a decision, consider the product information booklet at [www.gesb.com.au](http://www.gesb.com.au). Financial advice is provided by GESB Wealth Management Pty Ltd trading as GESB Financial Advice AFSL No. 309268.