

INFORMING GENERATIONS

MAKE THE MOST OF YOUR RETIREMENT INCOME

Adjusting to a reduced income in retirement can be challenging. But luckily, there are a wide range of support options available, plus all sorts of discounts and benefits, to give Australian retirees a financial helping hand.

Entering retirement means freedom from the pressures of work, but it can also mean getting used to a tighter income. So make sure you're aware of all the government support options available to help retirees keep up with their household, lifestyle and medical expenses. It's also a good idea for younger generations to understand which types of support their loved ones are eligible for, in areas like aged care services and disability funding.

So how much money do you need in retirement? And what types of support can you access to make your nest egg stretch further?

How much does retirement cost?

One of the toughest aspects of retirement planning is to know how much money you'll need to make a comfortable transition out of the workforce, enjoy your retirement years, and be able to support yourself the rest of your life. You might also want to make sure you have something to leave behind for your kids and grandkids.

While the ASFA Retirement Standard recommends that a couple entering retirement needs \$640,000 in retirement savings to fund a comfortable lifestyle (or \$59,160 a year) and a single person needs \$545,000 (or \$43,062 a year),¹ most Australians retire with significantly less than that. In fact, the average super balance at retirement age is \$292,510 for men and \$138,154 for women.² That's why it's crucial to plan carefully to make sure your retirement income goes the distance.

Support for those who need it

If your assets and any income you earn are below a certain threshold, you may be eligible to receive a full or part Age Pension from the government to supplement your retirement savings. The maximum amount you're entitled to depends on whether you're single or in a couple, and whether you own your home – see the **Department of Human Services website** for more information.



Depending on your circumstances, you may be eligible for different government benefits instead – like a Disability Support Pension, Carer Payment if you're looking after someone else, or a Sickness or Widow Allowance.

All sorts of ways to save

Aside from pensions and other payments, there's a whole range of other financial benefits available to seniors. Depending on your situation, here are some you might be able to access.

Seniors Card

If you're eligible for a Seniors Card, you can enjoy exclusive discounts on many goods and services, including electricity, transport and holidays. The eligibility rules and the list of benefits differ from state to state, so check your state or territory's **government website** to find out if you're eligible and to see which businesses accept your card.

Pensioner Concession Card

If you're on a government pension or allowance, you might also be able to apply for a **Pensioner Concession Card**. This lets you enjoy discounts on your health care needs, higher Medicare benefits, bulk billing and free access to hearing services. The card comes with non-medical benefits as well, including cheaper energy bills, car registration and public transport fares.

Commonwealth Seniors Health Card

If you're not eligible for the Age Pension, you may still qualify for a **Commonwealth Seniors Health Card**. Thanks to the Pharmaceutical Benefits Scheme (PBS), you can save money on prescription medication, as well as medical expenses and government-funded medical services.

Other health services

In addition to a health card, there's a range of other free health services available for seniors. Australians aged 50 to 74 get access to free breast and bowel cancer screenings, and if you're over 65 you can get the flu jab and pneumococcal vaccine for free, as well as a bowel screening kit. Speak to your GP or visit the **Cancer Screening** and **Immunise Australia Program** websites to find out more.

Talk to your Financial Adviser

When you're trying to make the most of your retirement income, it can be difficult to know exactly what your options are and which benefits apply to you. Your Financial Adviser can help you create a budget and manage your cashflow to make your money stretch further. They can also structure your finances to best suit your lifestyle, as well as supporting you in your dealings with Centrelink.

- 1 ASFA Retirement Standard for age 65, June quarter 2016.
- 2 ASFA, Superannuation account balances by age and gender, December 2015.

SPEAK TO US FOR MORE INFORMATION

Speak to us if you would like to understand more about how this information might impact your financial situation.

IMPORTANT INFORMATION

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