



MAKE MY RETIREMENT SUPER

I'm retiring soon – and I'm confused about how I should maximise my income from my superannuation once I'm not earning a salary?

Deidre, Mosman NSW

A lot of people relate retirement with being relaxed and stress-free but I honestly believe it can be one of the most stressful moments in your life as you go from a regular salary to nothing at all.

Here are a few strategies to maximise your super savings in retirement:

Increase risk - the simplest answer that I could give you would be to invest your money & get the highest return possible. But as we all have learnt in the last 18 months, high returns are usually associated with high risk. So whilst it is worthwhile taking on extra risk to generate extra income, learn from past lessons and don't take on too much risk!

Increase contributions into super - by putting extra into your nest egg you will be increasing the amount that you can withdraw in retirement. It can also be tax effective too if you are paying at least 31.5% marginal tax rate.

Delaying retirement - now I know that this won't be a popular recommendation for you Deidre but the longer that you stay in the workforce and contribute into super for a bit longer then the more you will have in the future.

Reduce your retirement drawings – whilst you asked me for advice on maximising your income, it may seem strange that I am telling you to reduce it. But the lower the amount that you withdraw in retirement then the longer you will be able to make your savings last.

Visit Centrelink - with falling super fund values in recent times, you should go to Centrelink and see if you are eligible for the pension. Even a part pension will subsidise your living costs and reduce the amount that you need to withdraw from super, hence preserving it for longer.

I wish you well in retirement.