

OCTOBER 2026

SuperVIEWS

Keeping members super informed

SASS

State Authorities
Superannuation Scheme

SSS

State Superannuation
Scheme

PSS

Police Superannuation
Scheme

**02. Invitation to join
our Annual Member
Meeting 2026**

**03. Is it time to take
your benefit?**

**08. Making sense of
your annual statement**

also inside...

State Super update

Investment market overview

Ask an expert

Your member benefits



STATE SUPER
SAS Trustee Corporation

Keeping you informed
on the latest news
and updates at
State Super

STATE SUPER UPDATE



SAS Trustee Corporation (State Super) (ABN 29 239 066 746) is not licensed to provide financial product advice and nothing in this document constitutes financial product advice. This document contains factual information only and is not intended to imply any recommendation or opinion about any financial product. You should consider obtaining professional financial product advice which takes into account your objectives, financial situation and needs before making any financial decisions.

Aware Financial Services Australia Limited (Aware Financial Services) (ABN 86 003 742 756) holds an Australian Financial Services Licence (AFSL number 238430) and is able to provide you with financial product advice. Aware Financial Services is owned by Aware Super Pty Ltd as trustee of Aware Super. State Super does not pay fees to, nor receives any commissions from Aware Financial Services for financial planning and member seminar services provided to State Super members.

Neither State Super nor the New South Wales Government take any responsibility for the services offered by Aware Financial Services and its related entities, nor do they guarantee the performance of any service or product provided by Aware Financial Services and its related entities.

We are again calling for members to come together at an online Annual Member Meeting this November.

State Super's leadership team, led by Chief Executive Officer, John Livanas, will provide detailed presentations to members on our investment performance, objectives and the outlook for the year ahead during the 1-hour meeting. You will also have an opportunity to submit questions in advance about the operation of the Fund.

Last year we were pleased to have nearly 300 members join us online to listen and participate in this important meeting. Our post-event survey showed most attendees felt the meeting was worthwhile with **90% of respondents** saying they would be "very likely/likely" to attend again.

"Thank you for inviting me to participate. You have a very strong team, and I know the management of our superannuation is in very professional and caring hands. Many thanks."

Other positive comments included...

"The meeting increased my understanding of global, national and local economic circumstances and the challenges facing the fund. It was an hour well spent".

"Thoroughly enjoyable presentation. It instilled confidence in the management of State Super".

"I'm honoured to be a member of the State Super Fund. You do a great job for the members".

"The session was direct, informative and concise".

WHEN:

Date: Thursday
26 November 2026

Time: 10.30am – 11.30am
(AEDT time zone)

HOW TO REGISTER:

- If you've already provided us your email address, you'll automatically receive an invitation with the link to register.
- If you haven't previously provided us with your email, please visit <https://membermeeting.statesuper.registerevents.com.au>

REGISTRATIONS CLOSE

13 November 2026

A NEW WAY TO EXPERIENCE AND ACCESS YOUR MEMBER INFORMATION



We will soon be launching a new secure website where you'll be able to keep track of your State Super benefits in the same way as before.

The website will allow you to view your benefit information on your computer, mobile or tablet. A new design will also make it easier to introduce enhanced features in the future.

Accessing your State Super account online will enable you to:

- update or change your contact details
- view and download your annual statements
- access an online benefit estimate (SASS members)
- request an online benefit estimate (SSS and PSS members)

Keeping you informed

For now, you don't need to do anything new to access your information.

Over the coming weeks, we will keep you informed and provide easy-to-follow instructions, so you are ready when the new website is launched later this year.

TIME TO TAKE YOUR BENEFIT?

SASS members

Did you know that from the time you reach age 65, you can access your State Super benefit, even if you continue working.

If you take your benefit at age 65 and continue to work, your employer will pay Superannuation Guarantee contributions on your behalf into another superannuation fund of your choice.

SSS and PSS members

For many members in these schemes, your full pension is payable from age 60. You will have a choice between a fortnightly pension or a lump sum, or a combination of both. However, in order to receive your benefit, you must cease employment with your current employer from age 60.

Alternatively, you can access your benefit from age 65, even if you continue working. Your employer will pay Superannuation Guarantee contributions on your behalf into another superannuation fund of your choice.

Get an estimate today

For more information refer to STC Fact Sheet 4: *When can I be paid my superannuation benefits?* Contact Customer Service on 1300 130 096 for an estimate on how much your benefit or pension payment is worth today and to check if you meet the requirements.

Then, simply complete an application form and send it to Apex (contact information can be found on the form). Proof of identity documents or electronic verification may be required.

DIVISION 296 TAX: WHAT IT MEANS FOR MEMBERS

From 1 July 2026, a new tax known as Division 296 applies to people with large superannuation balances.

Most members will not be affected. However, if you have a large State Super benefit, or significant superannuation held in other funds, you may be affected.

Division 296 tax may apply if your total superannuation balance exceeds \$3 million. Earnings attributable to the portion of your balance between \$3 and \$10 million are taxed at 15%. A higher rate of 25% applies above \$10 million.

Key points

- Most members will not be affected.
- The ATO—not State Super—calculates the tax.
- Contributors and deferred members can generally defer tax on an inaccessible State Super defined benefit until it becomes payable.
- Pensioners generally need to pay any assessed Division 296 tax within 84 days.

What is my total superannuation balance?

Your total superannuation balance is the combined value of all your superannuation interests across all superannuation funds, not just your State Super benefit.

Because members are in defined benefit schemes rather than account-based funds, there is no simple account balance. Instead, the value of your defined benefit is determined using a valuation method prescribed by law.

How will my State Super benefit be valued?

Your benefit will be valued using the same method used when valuing benefits for family law purposes.

How are earnings calculated for Division 296?

For members of defined benefit schemes, earnings are based on the change in the value of the defined benefit over the financial year.

The increase is then adjusted by removing amounts that are not investment earnings, such as member and employer contributions. The remaining amount is multiplied by 0.825 to recognise that earnings have generally already been subject to the standard 15% superannuation tax.

Example

A member's benefit increases from \$3.2 million to \$3.5 million, an increase of \$300,000. After deducting \$50,000 in member and employer contributions, the adjusted increase is \$250,000.

Applying the defined benefit earnings factor of 0.825 results in Division 296 earnings of \$206,250.

How is the tax calculated?

The tax does not apply to all of your earnings - only to the proportion above the relevant threshold.

Using the same example, the total superannuation balance at the end of the financial year is \$3.5 million, and earnings are \$206,250.

Because \$500,000 of the member's balance is above the \$3 million threshold, 14.3% of the balance exceeds the threshold. Accordingly, 14.3% of the earnings (approximately \$29,464) are subject to Division 296 tax.

At a tax rate of 15%, the additional tax would be around \$4,420.

When is the tax payable?

If the tax relates only to your State Super defined benefit and you have not yet begun receiving that benefit (for example, you are still a contributor), you will generally not have to pay the tax immediately. Instead, the ATO will defer the amount and maintain a separate deferred debt account which will have interest applied (for more information refer to STC Fact Sheet 3: *Taxation*).

If you are already receiving a State Super pension, the tax will generally be payable within 84 days. The same applies to any Division 296 tax that relates to superannuation interests you hold in other funds.

Summary

Division 296 is now law. While it is unlikely to affect most members, State Super must report the value of members' defined benefit interests to the ATO.

If your total superannuation balance exceeds the relevant threshold, the ATO may assess you for Division 296 tax. Where the tax relates to a defined benefit that you cannot yet access, payment will generally be deferred until your benefit becomes payable.

Super helpful advice for life beyond SASS

If you're preparing to retire soon and not sure what to do with your final benefit, you're not alone. Many members are uncertain about their options and the best time to make the transition.

Planning for a retirement you want (and can afford) might feel daunting. The good news is, you don't need to make the big decisions on your own. An Aware Super financial planner can help you:

- Understand your options when you exit SASS
- Learn more about the tax benefits of a retirement income account
- Learn how the retirement phase of super works
- Consider how and when to invest for retirement

Our experts can help you understand your options and feel confident about life beyond SASS.

Call Aware Super on 1800 841 633 to book an appointment.



Scan here or visit
**[aware.com.au/
statesuperadvice](https://aware.com.au/statesuperadvice)**



INVESTMENT MARKET OVERVIEW



A CHALLENGING GLOBAL ENVIRONMENT

The significant geopolitical challenges of the last couple of years have been compounded this year by the outbreak of hostilities between Iran and the USA. This posed a threat to world economic stability, with closures of the Strait of Hormuz representing the most significant risk due to its capacity to severely disrupt the global oil supply chain. Uncertainty lingers over whether it will escalate again or resolve and expectations on how economic conditions will be affected for the remainder of the year vary widely.

As one indication of just how diverse the economic outcomes may be, in the April edition of the International Monetary Fund's (IMF) World Economic Outlook they have taken the unusual step of issuing a range of forecasts for annual GDP growth, rather than the usual practice of giving a single forecast. Their original forecast at the start of 2026 was global GDP growth of 3.1%. If the extent of the conflict remains reasonably constrained, they expect that this growth rate is still achievable. If matters take a turn for the worse once again, however, they have projected two alternative scenarios. The first of these, (termed an "adverse scenario"), is characterised by a longer duration of supply disruption causing a greater spike in energy prices, resulting in a lower GDP growth expectation of around 2.5%. If hostilities ramp up to an even greater extent resulting in further damage to energy infrastructure in the middle east, (termed a "severe scenario"), their projection is that GDP growth could drop as low as 2%.

The conflict has also put upward pressure on global inflation, as increased energy costs flow-through to

transport and manufacturing sectors. Similar to what they have done with their GDP predictions, the IMF have given a range of global inflation projections. If further long-term escalation is avoided, their forecast is 4.4%, but this increases to 5.4% under the "adverse scenario" and just over 6% under the "severe scenario".

These impacts on growth and inflation will be asymmetric across different nations and regions. Middle eastern countries close to the conflict and emerging and developing economies that rely heavily on commodity imports will fare substantially worse than advanced economies.

Countering the economic drag caused by the middle east conflict is the rapid development in artificial intelligence (AI) technology, infrastructure and adoption. This has been a significant driver of growth in GDP and business investment and holds considerable potential for boosting productivity in the future. Having said that, some reservations are being posed on whether the steep trajectory of AI investment and development is sustainable, due to the intense competition within the sector and questions on whether profitability outcomes will be able to meet earlier expectations.

The precarious global environment also underscores the need for governments and central banks to exercise discipline and decisiveness in their fiscal and monetary responsibilities. As we have seen during other recent global shocks, such as COVID-19, authorities can play a major role in building economic resilience and laying the foundation to allow recovery in economic activity.

Domestic news

Interest rates continue to be the focus domestically and we have already seen three rises this year. In February the Reserve Bank of Australia (RBA) increased the cash rate to 3.85%, in April it rose again to 4.10% and in May it reached 4.35%. Even prior to the Iran conflict, the RBA had identified that inflation was already too high and made clear their resolve to take whatever action is necessary to get it back into the 2–3% target range. This suggests that there may still be scope for more rate increases this year. If the desired effects of such increases materialise, this may allow scope for some interest rate relief in the course of 2027.

In relation to GDP, at the outset of 2026 both the RBA and the IMF had predicted a growth rate of 2.1% in Australia. This has now been revised down to 1.9%, as the impact of interest rate rises serves to cool the economy and as higher fuel prices slow down household consumption.

Another key concern recently expressed by the RBA is the sluggish growth in productivity in Australia, which is limiting the ability of the economy to grow without inflationary pressures. A report by The Centre for Future Work at the Australia Institute notes that Australia's labour productivity sits in 16th position out of the 38 OECD countries and sits in 29th position in relation to average productivity growth from 2013 to 2023. This certainly indicates there is room for improvement.

How are share markets faring?

Despite challenging economic conditions, equity markets have generally posted robust gains during the first half of the year. Although some of these gains have been partially reversed in recent months, overall market performance has generally remained positive on a year-to-date basis.

In the US the S&P 500 was up by almost 9% by mid-year, although it has been a bumpy ride since then. Strong revenue and earnings growth of US companies continue to be a positive influence on the share market, while oil price hikes and the spectre of inflation and interest rate rises are exerting downward pressure. The NASDAQ 100 index in the US was also powering ahead in the first six months of the year thanks to the AI wave, but this has since seen some correction and volatility, due to concerns over profitability and over-investment alluded to earlier in this report.

Some Asian equity markets, including Japan, South Korea and Taiwan, experienced even stronger gains through the first half of the year. Since then, however, these markets have retraced a portion of those gains, driven in part by growing investor concerns over AI-related valuations and the sustainability of the technology-led rally.

The FTSE 100 has reached record highs so far this year, although these gains could come under pressure if US interest rates rise, tightening global financial conditions and reducing investors' appetite for global equities.

In contrast, the Chinese Hang Seng and the Australian ASX200 index have both posted only modest gains year to date, reflecting weaker market sentiment. In China's case this has been on the back of significant drops in revenue and profits in some of the index's biggest companies, while in Australia the sluggishness has been attributed, in part, to a lack of exposure to the AI-driven boom.

Such pronounced short-term fluctuation in equity markets underscore the importance of remaining focused on long-term investment objectives and diversification of the investment portfolios across multiple geographies and types of assets.



Crediting rates for Member investment choice strategies to 30 June 2026

	1 year	2 year	3 year	5 year	10 year
Growth	8.9%	9.7%	9.5%	7.3%	7.8%
Balanced	7.0%	8.1%	8.2%	6.3%	6.3%
Conservative	5.2%	6.5%	6.7%	5.4%	5.0%
Cash	3.7%	4.0%	4.1%	3.0%	2.2%

Important: Past performance is not a reliable indicator of future performance. The crediting rates shown have been rounded to one decimal point and are shown as an annual rate. Actual crediting rates are declared monthly to four decimal places. The annual rate is the compounded monthly rates.

MAKING SENSE OF YOUR STATEMENT: KEY THINGS TO CHECK AND ACTIONS TO TAKE

Your annual SASS statement helps you see how your super is tracking and whether you're on course for the retirement you want. Beyond the final benefit number, it includes information to help you make informed decisions.



Here are some key areas to review and the actions you may want to consider.

Start with taking a look at your benefit summary

Your benefit summary shows your current account balance and an estimated retirement benefit based on your current circumstances. Remember, this is an estimate, not a guaranteed amount.

Review the key benefit values shown:

- **Account balance:** Your personal account balance that is subject to investment choice.
- **Immediate withdrawal benefit:** The benefit payable to you if you ceased employment on 30 June 2026.
- **Deferred benefit:** The value of the benefit if you left employment on 30 June 2026 and deferred your benefit with SASS.
- **Retirement benefit:** An estimate of your benefit at your SASS retirement age. If you are over SASS retirement age, your immediate withdrawal benefit, deferred benefit and retirement benefit figures will be the same.

If anything looks unexpected, request a personalised benefit estimate.

Check your benefit points

Your benefit points are one of the most important parts of your statement. In SASS, every 1% of salary you contribute each year earns one contributed point, unless you are part-time. Your statement shows your accrued points and maximum available points.

If your accrued points are below the maximum, consider increasing your contribution rate up to 9%, if affordable. More points can improve your employer-financed benefit over time.



Review your contribution rate

Your statement shows the percentage of superable salary you contribute to your personal account. Members can generally contribute between 1% and 9% of salary.

Action to consider: Check whether your rate still supports your retirement goals. Even a small increase may make a meaningful long-term difference.

Verify your salary information

Your benefit is calculated using the superable salary reported by your employer, which may differ from your taxable income.

Action to take: Check the salary shown is correct. If not, contact your employer, as it could affect your benefit calculations.

Understand your scheme pension option

A “Yes” next to Scheme Pension Option means you may be eligible to convert the employer-financed portion of your benefit into a lifetime indexed pension, generally from age 60. This applies only to certain members who retained this feature from an earlier scheme.

Because this can affect retirement planning, understand how it applies to your circumstances.

Check your tax file number and contribution arrangements

Your statement confirms whether your TFN is on record. Without it, additional tax may apply to some contributions.

It may also highlight possible tax advantages if you salary sacrifice SASS contributions.

Action to take: Confirm your TFN is recorded and, if relevant, discuss salary sacrifice with your employer or adviser.

Review your investment choice

Your statement shows how your personal account is invested. If you haven’t chosen an option, it will be invested in Growth.

Action to consider: Review whether your current investment mix still suits your risk tolerance, investment timeframe and retirement objectives.

Don’t overlook changes to employment status

Your statement also includes employment status information. Role, employer or work arrangement changes can affect your entitlements.

If any employment details are missing or appear incorrect, follow up with your employer.

Make your statement work for you

Your annual statement is more than a balance record. Reviewing it each year helps confirm your details are accurate, track your benefit, and support informed contribution and investment decisions.

For a more detailed guide to your annual statement download the SASS statement guide at aware.com.au/sass.

Deferred member? Here’s what to focus on

If you’ve left your SASS employer and kept your benefit in the scheme, your statement can help you understand your retirement options.

Understand the difference between your deferred and immediate benefits

Some deferred members will see both a deferred retirement benefit and an immediate lump sum benefit, which may differ because they are calculated under different scheme rules.

CONTINUED - MAKING SENSE OF YOUR STATEMENT: KEY THINGS TO CHECK AND ACTIONS TO TAKE

Accessing your immediate lump sum before your scheme earliest retirement age may mean forfeiting a potentially higher deferred benefit. Compare your options before transferring or consolidating.

Tip: Don't assume rolling your SASS benefit into another fund is best. Compare deferred benefit value, fees and retirement outcomes first.

Know your scheme earliest retirement age

Your scheme earliest retirement age is when your deferred retirement benefit becomes payable under scheme rules.

Commonwealth preservation rules may still apply, so you may need to meet a separate condition of release before accessing all of your benefit.

Review your investment strategy

Deferred members can choose how their deferred lump sum personal account is invested across four available options.

If you haven't selected an investment option:

- Up to age 60, your deferred benefit is invested in the Growth option.
- From age 60, the default investment option switches to Balanced.

Action to consider: Check whether your investment strategy still suits your risk tolerance, retirement timeframe and income needs.

Check your tax-free and taxable components

Your statement shows how much of your benefit is tax-free and how much may be taxable, which can matter when planning retirement timing and withdrawals.

Benefits paid after age 60 are generally tax-free, so understand how your age and plans may affect outcomes.

Understand what you can access today

Some deferred members may have an unrestricted non-preserved amount that could be accessible if conditions are met. Your statement shows how your benefit is split across preservation categories.

However, withdrawing any SASS benefit generally requires rolling over the full balance and closing your SASS account.

Get a retirement estimate

If you're planning retirement, request a personalised benefit estimate and use retirement planning tools to understand your future income position.

Tip: If retirement is approaching, seek a benefit estimate and advice on the impact of different

retirement dates, part-time work or rolling your benefit to another fund¹.

Top 5 actions for deferred members

When your statement arrives, take five minutes to check:

1. Your deferred retirement benefit and immediate lump sum benefit values.
2. Your scheme earliest retirement age.
3. Whether your current investment option remains appropriate.
4. Your tax-free and taxable benefit components.
5. Whether obtaining a personalised retirement estimate could help with future planning.

For a more detailed guide to your annual statement download the SASS deferred statement guide at aware.com.au/sass-deferred

¹ Advice provided by Aware Financial Services Australia Limited, ABN 86 003 742 756 AFSL No. 238430.

ASK AN EXPERT

SASS



QUESTION 1.

“Should I access my SASS benefit now that I’m eligible, even if I want to keep working?”



Reaching eligibility to access your super benefit doesn’t mean you need to retire straight away. Instead, it gives you more choice in how you manage your money and plan your retirement.

If you’re a SASS contributing member, you can access your SASS retirement benefit from age 65 and continue working. Whether that is the right choice depends on your personal circumstances and retirement goals.

If you haven’t yet reached 180 accrued benefit points, you may wish to remain a contributing member and consider whether increasing your contribution rate is appropriate. Reaching 180 points can maximise the employer-financed part of your retirement benefit, so continuing to contribute may help grow your retirement savings. You can keep contributing to SASS while you are working, up to age 70.

If you’ve already reached 180 accrued benefit points, your SASS retirement benefit will generally grow more slowly from that point. It may then be worth considering whether to defer your benefit in SASS, roll it over to another super fund, or take it as a lump sum. If you access or defer your SASS benefit, your employer

will generally begin paying Super Guarantee contributions to Aware Super or another accumulation fund you choose. However, you will no longer have a defined benefit component, and your full account balance will be invested and exposed to market movements. This should be weighed against the benefit of ongoing employer Super Guarantee contributions, currently 12% of your superable salary.

When deciding whether to access your SASS benefit or to keep contributing, consider:

- whether expected salary increases, promotions or higher duties allowances could increase the salary used to calculate your defined benefit components and make it worthwhile to remain a contributing member.
- whether future salary increases could affect your Final Average Salary calculation.
- your broader retirement income needs and goals, including whether accessing your super could help supplement your income while you keep working, support a transition to retirement, or provide tax-effective benefits by keeping your money within the super system, such as through a retirement income stream.
- the protection your defined

benefit components provide against market volatility.

If you expect significant salary growth, remaining a contributing member may provide extra value. If substantial salary increases are unlikely, accessing your SASS benefit and moving to accumulation super contributions may be worth considering.

A small number of SASS members can take all or part of their employer-financed benefit as a defined benefit pension. This applies to members who were previously in the NSW Retirement Fund (NRF), Local Government Pension Fund (LGPf)[^] or Transport Retirement Fund (TRF). If this applies to you and you are still working, accessing your SASS benefit and starting the pension may be worth considering, as pension payments generally aren’t backdated.

The right approach depends on your circumstances, so consider speaking with a financial adviser who understands SASS before making a decision. Advice can help you make the most of your super and feel confident you’re making an informed decision about your SASS benefit as well as staying invested and saving tax within super.

[^] Former members of the Provident Fund, the Insurance Fund and the Benefits Fund (as defined in the Local Government and Other Authorities (Superannuation) Act 1927 NSW), who transferred to the LGPF before that fund became part of SASS also have the pension option listed above for the LGPF. Former members of these funds who did not join the LGPF before becoming members of SASS do not have a pension option.



ASK AN EXPERT

SASS



QUESTION 2.

“How do I check my investment option and what should I do if I want to change it?”



Choosing an investment option is one of the most important decisions SASS members with a deferred benefit need to make. There are several factors that can help determine which investment strategy may be right for you.

Find out what investment option you're in

As a SASS deferred member, if you haven't chosen an investment strategy, your benefit will be invested in the default Growth option. Once you reach age 60, this automatically switches to the Balanced option, unless you complete the form to opt-out of the default investment strategy change at 60, which is sent to you prior to turning 60.

Your lump sum basic benefit is invested in the Growth Strategy and is not subject to investment choice.

Not sure which strategy you're invested in? You can find out by:

- Logging in to your member account at statesuper.nsw.gov.au and viewing your account details, or
- Checking your most recent Annual Benefit Statement, or
- Calling State Super on **1300 130 094**.

Learn more about your investment options

There are four strategies to choose from. You can invest in one option or split across any combination, as long as the proportions add up to 100%.

- **Cash:** Very low risk, limited growth. Suited to members with a short-term horizon (up to 3 years) who want stability.
- **Conservative:** Low-to-medium risk. Suited to members with a 4-year horizon who prefer security over growth.
- **Balanced:** Medium-to-high risk, moderate growth. Suited to those with a 5–7 year horizon.
- **Growth:** High risk, high growth potential. Suited to members with a 7+ year horizon.

How to change your investment option

You can switch your investment strategy once per month:

- Download and complete *SASS Form 409: Choice of Investment Strategy* from statesuper.nsw.gov.au.
- Send the completed form to State Super Customer Service.
- If your form is received on or before the 25th of the month your new strategy will take effect on the last day of that month.

Your first switch in a financial year is free. Any additional switches will incur a \$25 fee.



There are several factors that can help determine which investment strategy may be right for you

Some important issues to consider when reviewing how your SASS account is invested

1. How long until you expect to access your benefit?

Your investment timeframe is one of the most important considerations.

Members approaching retirement may prefer greater stability if they expect to access their benefit in the near future.

As retirement approaches, protecting accumulated savings may become a higher priority.

2. How comfortable are you with investment risk?

Different investment options expose members to different levels of risk and potential return.

Ask yourself:

- How would you react if your account balance fell during a market downturn?
- Are you comfortable accepting short-term fluctuations in pursuit of potentially higher long-term returns?

An investment strategy should not only reflect your financial goals but also your ability to stay invested during periods of market uncertainty.

3. What are your retirement goals?

Your investment option should support the retirement lifestyle you are working towards. Consider:

- When you plan to retire.
- Whether you expect to access your benefit as soon as you're eligible.
- How much retirement income you may need.
- Other savings and assets you may have outside of superannuation.

Investment decisions are often most effective when viewed in the context of your broader retirement plans.

4. Avoid focusing solely on recent performance

A common mistake is selecting an investment option based purely on which option has performed best over the last year or two.

Investment markets move through cycles, and strong past performance does not guarantee future returns.

Instead, focus on whether an option aligns with your:

- investment timeframe
- risk tolerance, and
- retirement objectives.

Key takeaway

The right investment option is not necessarily the one with the highest recent returns. It's the one that aligns with your time to retirement, comfort with risk, and long-term financial objectives.



ASK AN EXPERT - CONTINUED

SSS



QUESTION 3.

“What are the benefits of accessing my SSS benefit once eligible if I’m still working?”



For SSS members nearing age 60 who are considering staying in the workforce, the decision is more complex than simply assuming that working longer will leave them better off.

Pension payments forgone between age 60 and 65

For most SSS members with a normal retirement age of 60, continuing to work past age 60 without retiring means forgoing pension payments they could otherwise have received. Those payments are not backdated when they eventually retire.

Compare your after-tax salary to your pension

Many members are surprised by how small the difference can be between:

- their net salary after-tax, and
- their SSS pension entitlement.

The important comparison is not gross salary versus pension, but the additional after-tax income earned by continuing to work, which may be less than expected.

Future salary increases may increase your pension

A salary increase after age 60 may also increase your pension, as SSS benefits continue to be linked to salary and service while you remain employed. Additional units from salary increases may further lift the pension ultimately payable.

However, if this applies, you should compare:

- the value of the higher future pension, versus
- the pension payments forgone while continuing to work.

In some cases, it may take many years of receiving a higher pension to offset the pension payments given up.

SANCS Basic Benefit continues to grow

If you remain employed, your SANCS Basic Benefit continues to build. This additional lump sum should be included when assessing whether continuing to work is worthwhile.

Contributions reduce after age 60

For many members, contributions reduce significantly after the annual adjustment day following age 60, with any remaining contributions helping to pay off outstanding contributions.

Outstanding Contributions

When you retire, there is usually an outstanding balance of personal contributions payable on instalment rate units (i.e. units that you take up within the five years prior to your retirement). Any outstanding contributions that you have at retirement must be paid prior to the payment of your scheme benefits.



For most SSS members with a normal retirement age of 60, continuing to work past age 60 without retiring means forgoing pension payments they could otherwise have received.

Tax considerations

Retirement timing can affect tax outcomes, including:

- the tax treatment of unused leave paid on retirement
- whether retirement occurs in the current or next financial year, and
- potential strategies involving pension income and salary sacrifice

Working beyond age 65

From age 65, SSS allows you to start your pension while continuing to work. If you start your pension at age 65 while still employed, you will receive your SANCS basic benefit and begin receiving your fortnightly tax-free State Super pension in addition to your salary. Your employer will also start paying Super Guarantee contributions of 12% of your superable salary to an Aware Super account, or to another super fund of your choice.

Lifestyle considerations may be more important than the maths

Financial outcomes are only part of the decision. Members should also consider:

- whether they enjoy their work
- the value they place on additional leisure time
- plans for travel or family commitments
- whether they would prefer part-time work or a gradual transition to retirement
- health and wellbeing considerations

Key message for SSS members

The key point is that SSS pension payments are not backdated. Each year worked after age 60 is a year of pension income that cannot be recovered later. However, continuing to work may:

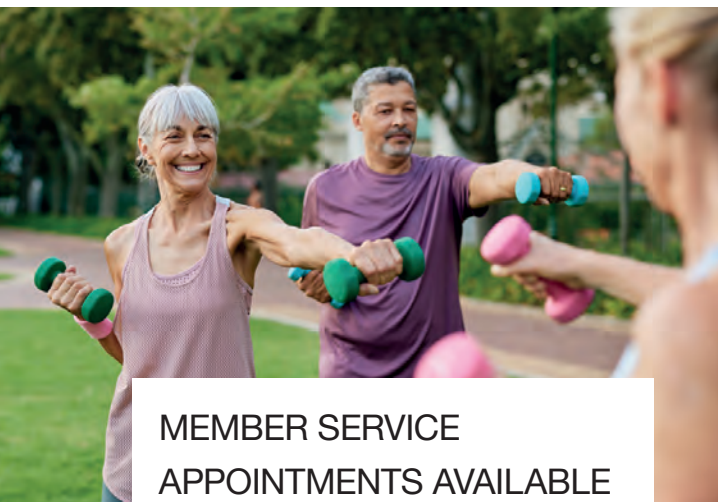
- increase your eventual pension
- increase your SANCS benefit
- provide additional salary income and
- offer tax planning opportunities.

For most members, a personalised cost-benefit analysis is the best way to compare:

1. pension income available now
2. after-tax employment income
3. expected salary increases
4. SANCS growth and
5. retirement lifestyle goals

Working with an Aware Super financial planner can help you navigate your options and provide advice that is personalised to you.

YOUR MEMBER BENEFITS



MEMBER SERVICE APPOINTMENTS AVAILABLE IN PERSON OR ONLINE

Member Service appointments using the Zoom video call platform are available 9.00am to 5.00pm Monday to Friday.

State Super's free appointment service is available to all current and deferred members as well as pension members.

One of our friendly and knowledgeable Customer Service team will meet with you via a face-to-face video call. They can assist with general information about your scheme, superannuation rules, even completing administrative forms or other paperwork. Easy-to-follow instructions will be supplied to help you join your video interview.

If you prefer, we also have a limited number of in-person appointments available at our Sydney CBD or Wollongong offices. If you need documents signed or certified please visit us in person so we can assist.

Call State Super Customer Service to make an appointment.

UPDATE YOUR CONTACT DETAILS

Do we have your current contact details including email? So we can communicate important information regarding your benefit and keep you abreast of any changes that could affect you, it is important that we have your current contact details.

How to update your contact details:

- ▶ **Call** State Super Customer Service on the numbers opposite, or
- ▶ **Complete** STC Form 207 (available on our website) and mail it to us, or
- ▶ **Log in** to your online member account via our website

SIGN UP FOR A WEBINAR TO LEARN MORE ABOUT YOUR SCHEME

State Super seminars for SASS members are online! Join a webinar presented by qualified financial planners from Aware Super. They can help you understand how to maximise your superannuation and plan for the future. Aware Super financial planners are specifically trained in your superannuation scheme.

Our webinar is presented in two 60-minute sessions and will help you to:

- ▶ Learn more about your SASS scheme – how it works, what your choices are and how to make the most of your available benefits.
- ▶ Understand how and when the decisions you make about your employment and superannuation can affect your retirement benefits.
- ▶ Understand the Centrelink rules and the benefits you could be eligible for.
- ▶ Find out how a financial plan can help you make the most of your super.

Easy-to-follow instructions are provided on how to join and participate online from the comfort of home.

To make a booking to attend one of our webinars, call **1800 841 633** or go to aware.com.au/state-super/events where you can view dates and times that are convenient to you.

GET IN TOUCH



SASS Active 1300 130 095



SASS Deferred 1300 130 094



SSS 1300 130 096



PSS 1300 130 097



State Super
GPO Box 2181
Melbourne VIC 3001



statesuper.nsw.gov.au



enquiries@stc.nsw.gov.au

