

September 2023

cbus news



Changes to insurance

> page 3

Make hay while the sun shines

> page 5

A healthy return for members

> page 7

Super fit on any budget > page 4

From strength to strength

A message from our CEO Kristian Fok



It's an honour to write to you for the first time as Cbus Super CEO and I'm pleased to be able to highlight some great progress we have made on your behalf.

A win for members on unpaid super

Around one in four workers across Australia miss out on about \$5 billion in super each year. That's an average of \$1,700 per impacted worker*.

After years of advocating for strong action to tackle the scourge of unpaid super, the Government has announced the introduction of 'Payday super' from 2026. Super paid with your salary will be easier to track and easier to chase. It will make a huge difference to members' retirement outcomes.

Furthermore, super has been enshrined as a universal workplace right in a new law that includes superannuation entitlements in the National Employment Standards. This means all workers now have the legal right to recover unpaid super. We welcome this move that will increase financial security. Cbus Super was the only superannuation fund to make a submission to the government on this reform.

Healthy returns

We're delighted to deliver a healthy return into your account this year, despite the uncertainty and volatility that's been the hallmark of financial markets this past year. I encourage you to read the related investment article in this *Cbus News* for further detail.

New members

Another key event during the year was welcoming 17,000 new members in the energy and electrical sector, following our merger with EISS Super in May. Our member services and webinar teams have been working hard to keep our newest members up to date with their accounts.

New appointment



I would like to acknowledge the appointment of Marianne Walker as deputy CEO.

Marianne works tirelessly in her role as Chief Member Officer and her appointment reinforces your fund's total focus on providing quality service for you, our members.

* SUPER SCANDALOUS: How to fix the \$5 billion scourge of unpaid super, Industry Super Australia, industriysuper.com/assets/CampaignPage/ISA-Unpaid-Super-Report-2021.pdf

Thank you and farewell, Frank O'Grady

We pay tribute to Frank O'Grady who retired this year, after serving 11 years as Member Director at Cbus Super.

Frank was an organiser for the Building Workers Industrial Union in Western Australia during the 1984 national campaign that won super for building workers and created Cbus Super (originally BUSS).

Through Cbus Super, workers didn't just get super, they gained access to affordable insurance that covered them in high-risk settings. Frank says it was the older members who campaigned hard because they wanted younger members to be able to access the benefits of superannuation in their retirement. Frank paid tribute to these rank and file members including Brian Churchill, Tony Farnham and Brian Freeman.

"Unionism in the building industry is founded on fairness. You win gains not just for yourself but to improve conditions for others coming into the industry."



Important changes to insurance costs

We regularly review your insurance cover, to make sure we're providing the best value we can. From 26 August 2023 the cost of Death and Total and Permanent Disablement (TPD) cover has changed for most members.

The cost of insurance cover is going down for most members

A recent review with our insurer has shown that changes to super laws have impacted the number of members who are given cover with their super. We can also see that in recent years members are claiming on their cover faster after an insured event, which is a good thing. These sorts of things affect the cost of cover, and we need to make sure costs are passed on fairly to all members.

While an increase has been unavoidable for some, we've been able to negotiate a decrease for most members. We estimate that at least 75% of all insured Cbus Super members will pay less for their insurance cover from 26 August 2023 onwards*.

There's no change to income protection premiums, and no change to your death and TPD premiums if:

- You're a Corporate Super member, as these premiums are calculated differently.
- You're a former-EISS member (electech utilities occupation category and Defined Benefit or Retirement Scheme accounts only).



Weekly cost per unit of cover

If you have insurance through your super, how much your cover costs will depend on your age, occupation category and the type of cover. The table below shows how much one unit of cover costs from 26 August 2023 and the change in cost.

Age band	Manual		Electech		Non-manual and professional	
	Death	TPD	Death	TPD	Death	TPD
15-24	\$1.05 (↓\$0.19)	\$0.75 (↓\$1.13)	\$0.74 (↓\$0.19)	\$0.52 (↓\$0.77)	\$0.62 (↓\$0.34)	\$0.28 (↓\$0.60)
25-34	\$1.13 (↓\$0.25)	\$1.68 (↓\$0.47)	\$0.82 (↓\$0.20)	\$1.18 (↓\$0.29)	\$0.67 (↓\$0.44)	\$0.68 (↓\$0.36)
35-49	\$1.51 (↓\$0.02)	\$2.33 (↓\$0.02)	\$1.34 (↓\$0.06)	\$1.92 (↓\$0.02)	\$1.15 (↓\$0.33)	\$1.35 (↓\$0.02)
50+	\$2.06 (↑\$0.17)	\$2.80 (↑\$0.23)	\$1.76 (↑\$0.14)	\$2.35 (↑\$0.19)	\$1.73 (↓\$0.02)	\$1.67 (↑\$0.12)



You don't need to do anything

These changes have been applied automatically. To check the cost of your cover, log into your account or give us a call.

* Based on insured membership figures at 31 May 2023 we estimate that at least 75% of Cbus Super Industry members with Death and TPD insurance will receive a premium reduction on 26 August 2023.

Insurance is issued under a group policy with our insurer, TAL Life Limited ABN 70 050 109 450 AFSL 237848.

Super fit on any budget

Interest rates, rising rents and cost of living are the words on everyone's lips. But even if you don't have a lot of spare cash, you can still keep your super on track.



Here are four ways to boost your super without spending an extra cent.

1

Make sure your super's paid correctly

You might think a little missing super doesn't matter much, but if your super isn't paid:

- your super balance will be lower than it should be
- this reduces any investment earnings over time
- your insurance cover could be cancelled too, leaving you in a vulnerable position.

Track your super online or in the Cbus Super app

Your compulsory super should be at least 11% from 1 July 2023 onwards. If your super hasn't been paid, speak to your local Coordinator – find their details at cbussuper.com.au/contact.

2

Keep your super in one place and save money on fees

If you've had a few jobs, you might have a few super accounts, but if you keep your super all in one place you'll probably save money on fees. Before you combine your accounts, make sure your insurance cover and other benefits are set up to suit your needs. Bring your insurance across first to make sure you're covered.

It's easy to combine your super online and only takes a few minutes:

Log into your account and go to *Consolidate my super*. If you've lost track of your super accounts, we can help – just have your TFN and ID handy.

3

Reduce tax leading up to retirement

A Transition to Retirement (TTR) account might help you reduce income tax

You can start a TTR account if you're 59-64 and you're still working. Income payments are tax free from age 60, which could help you save more for your retirement without affecting your take home pay.

It's best to get some help if you're thinking about TTR, but we can work out if it will suit you.

Get advice: Our Advice Services team are available on **1300 361 784**, 8.30am to 6.00pm (AEDT/AEST) Monday to Friday. This service is included as part of your membership.

4

Boost your balance with a tax saving at retirement

If you use your existing Cbus Super or TTR account to start a Fully Retired Super income stream, you could be eligible for a tax refund. The amount you could get depends on your account balance and other factors. In April 2023 eligible Cbus members received an **average refund of \$2,626** – a valuable boost to their retirement savings. Eligibility rules apply.

Find out how much you could get

Online: Log into your account and click on *balance quote*.

By phone: Call **1300 361 784** - we can provide a balance quote and advice about setting up an income stream for retirement.

Or read the *Income Stream Tax Refund* fact sheet at cbussuper.com.au/forms.

These examples are provided for illustration purposes only and are not intended to replace financial advice. This information doesn't represent the benefits that you could receive or the fees and costs you may pay. It doesn't factor in your personal financial situation and needs – the outcome will depend on your personal circumstances.

Make hay while the sun shines

Chris Harvey had a great career as an electrician, then followed his passion and went to work in the renewable energy industry. We check back in with Chris after first chatting with him in 2019.

Chris became a Cbus Super member through his job at Kwinana Nickel, near Perth. Around this time he met Cbus Super Coordinator Don Fowlie, who became a friend over the years. Chris realised he had five or six accounts from different jobs, all being charged separate fees. "At that stage I got everything transferred into Cbus and never looked back."

Taking advantage of a good situation

'Fly in, fly out' work isn't for everyone. While Chris' first few years were spent away from his young family and were hard, his next job at the North Rankin A platform lasted nearly ten years, offered great money and lots of time off. "I was able to come home and take the family, hook up the camper trailer and head up north for holidays multiple times per year".

When you're on a good wicket, it's important to put something away for the future. "It was a huge paying job, so I salary sacrificed into my super, which made a big difference to my super."

Helping others save

When Chris wanted to spend more time at home in Perth, a friend at a solar business offered him a job as a sparky, or alternatively, to come on board and learn the sales side. Now a Business Development Manager, Chris says "I love being able to help people save money. To me there's absolutely no reason for not putting solar on. Batteries are the next step for many as well."



"If you can afford to, put in a little bit extra. Put that \$10 a week in, because your super is going to grow even more for your retirement".

A family affair

Chris' partner is now a member, as well as his two sons – who despite Chris' pleading – have chosen to not work in a trade but have become managers in their own work life. They're still reaping the benefits of being Cbus Super members, like great service from our local Coordinators.

"They asked me when starting their jobs, 'Dad, who am I going to go with for my super?' And it was pretty easy to point them in the way of Cbus with both knowing Don Fowlie as well. That was years ago, and their nest eggs are growing with Cbus."



Thinking about putting extra money into your super?

Our team of advisers can help work out the best way you can contribute. Call **1300 361 784** from 8.30am to 6pm (AEST/AEDT) Monday to Friday.

How we diversify your investment

Ever heard the saying don't put all your eggs in one basket? To reduce the risk of a big fall in your account balance, we invest your super in a variety of assets. This is called diversifying your investments.



Diversification works because not all assets perform in the same way at the same time – when one investment is performing poorly another may be performing well. Here are three examples of how we diversify your super.

We invest directly

As well as investing in assets that are listed on stock exchanges, we invest in projects directly. One example is Cbus Property's latest project, Nine The Esplanade in Perth, where work started in April 2023.

The \$500 million, 19-storey office building will feature more than 4,800 square metres of on-site office, co-working and conferencing facility spaces with views across Elizabeth Quay and the Swan River.

We invest in assets that provide stable returns

Since 2019 we've successfully lent over \$1.5 billion to a variety of Australian businesses. We also provided loans to support residential construction projects throughout the pandemic, with construction funding continuing to be part of our ongoing internal strategy.

Our investment in Australian loans is expected to provide consistent returns over the long term. This makes them complementary to other assets we own as they are expected to have lower sensitivity to the day-to-day movements in share markets.

We look beyond our shores

By investing across the world, we reduce the risk of economic conditions in any one country having a large overall effect on the balances of our members' super. One example is our investment in Forth Ports, an owner and operator of eight commercial ports – seven in Scotland and one in London.

Forth Ports benefits from locations close to the North Sea oil and gas reserves, and access to the English Channel. Offshore wind also presents a major opportunity for its Scottish ports as construction and servicing work for new offshore wind farms is expected to be supported by Scottish harbours for years to come.



For more information about our investment options and how we manage your super, see our *Investment Handbook* at cbussuper.com.au/forms.

Cbus Property Pty Ltd is a wholly-owned entity of Cbus Super and is responsible for the development and management of a portfolio of Cbus Super's property investments.

A healthy return for members

Despite a bumpy start to 2023 and ongoing uncertainty, we're proud to deliver a positive return for the 2022-23 financial year.

March was a particularly volatile period following the collapse of several US banks and the near collapse of Swiss bank, Credit Suisse. Quick action taken by regulators to address issues in the banking sector appears to have calmed investment markets.

All eyes on inflation

While recent data shows employment growth remains strong in most developed economies, keeping unemployment rates low and labour markets tight, there is still plenty of uncertainty ahead. Despite appearing to have peaked in most developed economies, the most uncertain part of the current outlook remains inflation and how far central banks will go to keep it under control.

The flow-on impact of rate rises

The Reserve Bank of Australia (RBA) raised the cash rate at ten consecutive meetings, before finally holding it steady at its April meeting. Despite expectations that the cash rate would remain on hold in May, the RBA raised rates again by 0.25% to 3.85% causing the Australian share market to fall sharply. The RBA then raised rates again by 0.25% in June, to finish the financial year at 4.10%.

Looking at the long-term picture

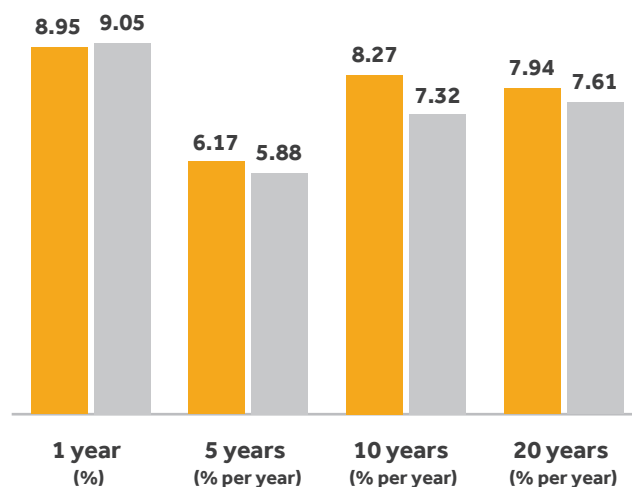
While periods of uncertainty may be a concern for members, it's important to maintain a long-term focus for your super. Our investment options are designed to ride out the lows with investments in a diverse range of assets.

We're proud to deliver a positive return of 8.95%* for the 2022-23 financial year. We've also delivered strong long-term returns with an average annual return of 8.27%* for the Growth (MySuper) option over the last 10 years.

Performance (%) to 30 June 2023

■ Growth (MySuper) option*

■ SuperRatings fund median†



* If you're a Retirement Scheme member this option is called the Growth option. The return for this option is based on the crediting rate, which is returns minus investment fees, taxes and until 31 January 2020, the percentage-based administration fee. Returns are as at 30 June 2023. Excludes fees and costs that are deducted directly from members' accounts. Past performance is not a reliable indicator of future performance.

† The median return is taken from the SuperRatings SR50 Balanced AFCR Survey, for the period ending 30 June 2023. SuperRatings is a ratings agency that collects information from super funds to enable performance comparisons – visit superratings.com.au.

Need more total and permanent disablement (TPD) cover?

We've made changes to our terms and conditions, so you might be able to get more cover if you need it:

- You can now apply for maximum TPD cover up to \$3 million (up from \$2 million).
- If you have multiple TPD insurance policies, we won't reduce your cover because you have cover elsewhere.
- We've removed the salary-based limit for Industry members with a non-manual or professional occupation category. We'll look at your application on a case-by-case basis.



Now's a good time to review your insurance and check it's still right for you. Log into your account to check and update your cover. Or call us, and we can help you over the phone.



Contact us

Find us on



1300 361 784 8am to 8pm (AEST/AEDT)
Monday to Friday, closed on national public holidays



Cbus Super, Locked Bag 5056
PARRAMATTA NSW 2124



cbusenq@cbussuper.com.au | cbussuper.com.au
Log in to chat to us online



Visit us in person in Adelaide, Brisbane, Melbourne, Perth and Sydney. Details: **cbussuper.com.au/contact**

Cbus has fact sheets available in your language to help you understand your superannuation. You can download a copy at **cbussuper.com.au**

Cbus 提供中文说明书，帮您了解退休金。您可以访问 **cbussuper.com.au** 下载说明书。

Cbus ima prospekte na vašem jeziku kako biste mogli lakše razumjeti sve što je vezano za vašu mirovinsku štednju (superannuation). Primjerak ovog prospekta možete učitati na internetskoj stranici **cbussuper.com.au**

Η Cbus έχει ενημερωτικά φυλλάδια στη γλώσσα σας για να σας βοηθήσει να καταλάβετε τα πάντα για τη συνταξιοδότησή σας. Μπορείτε να βρείτε και να κατεβάσετε ένα αντίγραφο στη διεύθυνση **cbussuper.com.au**

لدى سياسات صحائف حقائق بلغتك لمساعدتك على فهم ادخارك التقاعدي. بإمكانك زيارة موقع **cbussuper.com.au** لتنزيل نسخة.

Cbus ha a disposizione delle schede informative nella vostra lingua per aiutarvi a comprendere tutto quello che riguarda il vostro pensionamento. Potete scaricare una copia sul sito **cbussuper.com.au**

Cbus는 연금에 대한 이해를 돕고자 한국어로 된 안내서를 마련했습니다. **cbussuper.com.au** 로 가서 안내서를 다운로드 받으실 수 있습니다.

Cbus raspolaga со брошури на вашиот јазик за да ви помогне да разберете сè околу вашите пензиски влогови. Доколку сакате да преземете копии од овие брошури, посетете го **cbussuper.com.au**

Cbus нуди информативне листове на вашем језику који вам помажу да разумете све што се тиче вашег пензијског фонда. Примерак можете преузети на интернет презентацији **cbussuper.com.au**

Cbus tiene hojas de datos en su idioma que le permitirán comprender su super. Usted puede descargar una copia en **cbussuper.com.au**

Cbus có các tờ thông tin bằng ngôn ngữ của quý vị để giúp quý vị hiểu về hưu bổng của mình. Quý vị có thể truy cập trang web **cbussuper.com.au** để tải về bản sao.