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Welcome to the latest edition of our client newsletter,

Our articles cover a range of topics which we hope you will find interesting. We aim to keep you informed of changes as they happen, but we also want to provide ideas to help you live the life you want – now and in the future.

In this edition we have included the following articles, Do Parents Make Good Employees, Is That A Driverless Car In The Next Lane and Is Your Insurance Overdue.

If you would like to discuss any of the issues raised in this newsletter, please don't hesitate to contact us.

In the meantime stay warm and we hope you enjoy the read.

All the best,
Crest Financial Services

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Do parents make good employees?

Research reveals surprising correlations between productivity and parenthood.

It's official: Australia is the most expensive country to live in.ⁱ So it's no wonder that more and more parents are working while raising a family. In fact, recent media reports say Aussie parents work more than parents in other countriesⁱⁱ and 90% of Australian mothers always or often feel rushed or pressed for time.ⁱⁱⁱ

But what's the impact on the work that parents are able to do as employees?

It's a rush: home to work, and back again

If you're a working parent, you may feel torn, rushing from home or school drop off to a busy day at the office before heading back to finish up the day tending to home and family duties.

Balance is a misnomer, that ever-elusive buzzword with no basis in reality. It can seem impossible to uphold responsibilities at work and home with any sense of satisfaction.

But it's been said before—if you want something done, ask a busy person—and now the theory has been all but validated in recent research reports.

Our changing ways

According to the Australian Institute of Family Studies, the number of parents who work is far greater than a few decades ago.

In the early 1980s the idea of both parents working fulltime was anything but the norm.

Only 17% of families featured two working parents in 1983. The Australian Census of 2009 shows that the number had increased to 25% in 2009 and today, seven years later, it's likely to have increased even more.

The verdict...

A study into the effects of parenthood on skilled workers found that highly skilled working parents are the most productive employees.^{iv}

And that's not all. If you're a woman trying to find a way to do it all, another study by Ernst & Young found merit in flexible working conditions for mothers. Because mothers who work flexibly are the most efficient^v of all employees.

Our 3 tips for creating more balance

By being proactive, you may be able to create more balance in your life. Consider these three ideas for juggling work and family.

1. How flexible is your workplace?

Ask your manager whether there are options to help you achieve more balance. If your manager is not flexible, there may be opportunities for you to find more balance elsewhere. Look for employers that promote work-life balance in their job postings and if you can land an interview, be sure to ask how the philosophy translates into concrete terms day-to-day.

2. Can you give up some homework?

After a long day at work, coming home to cook, clean and maintain a home can be exhausting. Consider posting jobs on

online noticeboards and finding people to help you with jobs from mowing the lawn to cleaning your home. Some sites can help you delegate your home duties from an app on your phone.

3. Get your finances in order

Make sure that while you're busy juggling the demands of work and family you don't let financial worries cause added stress. Come and see us so you have a sense of control and know that all your hard work is paying off. We may be able to help you find ways to budget for some help around the house so you can come home after a long day and put your feet up.

Plan to have it all

Being a working parent comes with its challenges. But the rewards for you, your family and your employer can be worth it if you can do it all effectively.

Come and speak with us so we can help you plan ahead financially. Whether you're thinking about looking for a new job or considering ways to adjust your budget so you can buy some time throughout the year and have quality time-out when you need it, we're just a phone call away.

ⁱ Annual world consumer price index, Deutsche Bank 2014 (updated April 2015).

ⁱⁱ Media report, University of Sydney, Flexible and part-time work in Australia: some responses to the need for work-life balance.

ⁱⁱⁱ Australian Bureau of Statistics: Stressed for time.

^{iv} Research Division Federal Reserve Bank of St. Louis, Parenthood and Productivity of Highly Skilled Labor: Evidence from the Groves of Academe, 2014, Matthias Krapf, Heinrich W. Ursprung and Christian Zimmermann.

^v Ernst & Young, Untapped opportunity, The role of women in unlocking Australia's Productivity potential.





Is that a driverless car in the next lane?

As technology forges ahead, we're all but chasing after it.

Life as we knew it in the 80s and 90s is now ancient history. Today, digital devices in Australia have made the way we communicate, socialise, work and behave just about unrecognisable.

The fact is Aussies are so screen-obsessed that we're walking and texting, talking and browsing, eating and researching, reading and driving—all at the same time.

Yes, not only are we glued to our devices more than 440 million times a day, 42% of us confess to doing so while driving.ⁱ So with the small screen overtaking the windscreen, we may be sharing the road with driverless cars already.

We've come a long way

In the late 1980s super-early adopters had to pay more than \$4,000ⁱⁱ for the convenience of a portable phone. Even though it weighed a tonne, at the time it represented a turning point in communications technology.

These days around 80% of Australians carry a smartphoneⁱ and these

affordable mini computers are keeping us connected around the clock.

A vicious cycle

Our fixation with logging on is feeding a growing fear of missing out which feeds the fixation with logging on. And on it goes.

Australians look at their smartphones more than 440 million times a day collectively—an average of 30 times a day or 56 times for younger adults.ⁱ And according to a 2015 survey most of us are doing it everywhere—on public transport 88% of people are connecting, at work it's 92% and 88% of us even go online when talking with friends.ⁱ

And with a rising 340,000 terabytes of data being downloaded every month in Australia, and one third of the population checking their devices within five minutes of waking up in the morning,ⁱ it may be safe to say we're becoming screen obsessed.

It's not just the younger generation...

It's true that older people have generally been slower to adopt online devices compared to younger age groups but

that's changing. 95% of all users, young and old, are using their smartphones to take photos, including selfiesⁱ. And more than 25% of people over age 55 are using smartphones to connect via social media. That's an increase of 45% since 2014.

What's to come?

There seems to be no end in sight. Technology is changing at exciting and sometimes overwhelming rates.

We've seen a rapid evolution in the development and sophistication of like televisions, watches, fitness monitors and touchscreen kitchen splashbacks. And for some of us, the fact that the car no longer needs a key has been a revelation. But with car manufacturers now moving on from keyless ignition to driverless vehicles, it's likely we'll have even more time to fixate on our screens.

ⁱ Deloitte Mobile Consumer Survey 2015.

ⁱⁱ The Australian Mobile Telecommunications Association.



Is your insurance overdue?

If your policy lapses, you may face more challenges than being unable to claim when you need to.

If you let your insurance lapse, you may be in for a surprise down the track. Because letting your cover lapse can mean more than no longer having your cover in place. You need to think about whether you'll be approved or rejected for the same cover if you decide to reapply in the future.

Depending on your age and the state of your health, you may be refused cover later on. And because things change, keeping your cover in place—even when you don't feel a need for it as much as you may later on—can be insurance in and of itself.

But it's important to understand other factors that can influence your insurability. Because it's not just age and health that govern new insurance applications.

For example, if and when legislation changes, some policy optionsⁱ held in super are no longer available for new applicants. So for some people, that means cover that was once in place and then lapsed is now gone for good. And this can apply to insurance outside of super too.

It pays to think long term

If you let your insurance cover slip and restart, you may have to serve waiting periods and be unable to make a claim when you really need to.

And keep in mind that based on claims statistics, once you're over the age of 50

there is a higher chance you'll need to make a claim on your policy. According to AMP Life Limited's retail claims in 2015, 2% of claims were made by people under 30 years of age and 31% per made by those aged 50 – 59. People over 60 made 41% and those aged 30 – 49 made up 26% of all claims.

The real costs

One of the main reasons people let their insurance lapse is to save money. But not being covered for an event that totally disrupts life as you know it can be far more expensive than the cost of a policy.

It's worth discussing the long-term value of your insurance and your personal situation before you let go of any cover you have in place.

And, there are ways to manage the costs of your policy. Come and speak with us before deciding whether or not to let go of a policy you have in place. And if you may have let your policy lapse, we may be able to help restore it.

Making insurance affordable over time

Insurance through super

There are two key ways to hold insurance. You can hold your insurance through your super fund or outside of super, although some policies cannot be held in super such as trauma protection.

Buying insurance through super means you don't have to pay for your policy from your

household budget, although it does come out of your super money and there can be tax implications. We can help you work out whether holding insurance through super is the best option for you.

Actively managing your level of cover

There's a difference between keeping a policy in place and the level of cover provided by the policy. And remember, you don't have to keep the same level of cover in place forever.

The key is making sure your cover always meets your current needs. But it's essential not to be underinsured at the same time.

You could save on the cost of your policy as your needs change. For example, say you have children and they leave home or your debt levels reduce—your exposure to financial risk may be less than it was and therefore these are key opportunities for scaling down your level of cover.

Working out what's right for you

Insurance can give you peace of mind at every stage of life. The key is to keep the right level of cover in place at the right time and to understand any risks you may be facing at different stages. Come and speak with us so you have peace of mind that your cover will be in place when you may need it most.

ⁱ For example, the own-occupation option is no longer available on new total and permanent disablement policies held in superannuation.