



## outstanding contribution to nursing

Tania Green is our 2020 Nurse of the Year

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### INVESTMENT PERFORMANCE UPDATE

We look at the impact of COVID-19

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### REBUILD YOUR SUPER

What you can do if you've accessed your super

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### INVESTING IN DISABILITY HOUSING

Your super is helping transform the disability housing sector

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### TOP CASHFLOW TIPS

Make your \$\$\$ go further

**AUGUST 2020**  
Your member magazine



# Your exclusive invitation

## Hear directly from HESTA leaders at our Annual Member Meeting

At HESTA, we want to make a real difference to the financial future of every member.

The past 12 months have brought many changes: to super, to the local and global economy, and to the world around us. Exploring what those changes mean today can shine a light on our shared tomorrow.

We warmly invite you to watch and participate in an exclusive member-only update from HESTA leaders Chief Executive Officer Debby Blakey, Chair The Honourable Nicola Roxon, Chair of the Investment Committee Mark Burgess and Chief Investment Officer Sonya Sawtell-Rickson.

We'll share detailed insights into how we're working to create a secure and confident financial future for you, a more resilient economy, society and environment, and a stronger health and community services sector.



5.30pm  
16 November 2020

[www.hesta.tv](http://www.hesta.tv)

**ON THE COVER**  
Tania Green,  
HESTA Nurse of the Year



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Impact Awards



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## Always here for you

### Welcome to your latest member magazine.

While so much has changed since our last issue, my message for you remains the same: that we will always support you on your path towards the future you want.

And your HESTA team is feeling a sense of renewed optimism about how we can achieve that future together.

Part of this comes from our plans for you. We're focusing on new opportunities, including investing directly back into health and aged care.

We're also continuously reviewing our investment approach to help maximise your super's long-term performance. And while this year's market conditions have been challenging, we've stayed focused on the big picture.

We're also reshaping our services to fit your needs in the 'new normal'. You can now find advice and support online and by phone more easily than ever.

But we're most inspired by the dedication and resilience of the people in your industry. Your central role in our community's wellbeing has never been clearer, and we're celebrating it by bringing this year's HESTA Awards program online.

Many of the stories in this issue show how we're supporting you through COVID-19. But I want you to know you have always been, and will always be, the heart of HESTA.



We're here for you now,  
and into the future.

Best regards,

**Debby Blakey**  
Chief Executive Officer

### Three things that inspire me right now



#### Our incredible members

We speak with our members daily, and their stories make us even prouder to walk beside them this year.



#### Our team's commitment to supporting you, when and how you need it

From new webinars to online support, we have quickly adapted our services to make sure you can get the help you need right now.



#### Our community's spirit

I've heard so many stories of people reaching out to help each other through this difficult year. It gives me hope that some good will come from realising how much we need each other.



# work

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Tania Green is the 2020 HESTA Nurse of the Year

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We're focusing our investment options to better serve HESTA members

# outstanding contribution to nursing

## **Tania Green is the 2020 HESTA Nurse of the Year**

Winners of the 2020 HESTA Australian Nursing & Midwifery Awards were announced in May. Tania Green from the Plastic Surgery Unit of Monash Health in Victoria was the deserving winner of Nurse of the Year.

“Nursing is more than just a job for me, it is a part of who I am,” says Tania.

Tania was recognised for her work to improve care for patients with cleft and craniofacial conditions and their families, supporting more than 500 patients as the Clinical Nurse Coordinator for Monash Health’s Cleft and Craniofacial Unit.



Tania has been instrumental in improving awareness of the treatment and care required for cleft-affected babies. This includes developing protocols that have increased the education and confidence of staff involved in their care, and working with the special care nursery and neonatal staff.



I have the best job in Monash Health and the opportunity to work with the expert health professionals that make up the multidisciplinary team is exciting, but it's our cleft patients and families that make my work so rewarding, and I look forward to continually striving to develop the best cleft service."

Tania

"Cleft lip and palate is the most common congenital deformity and we support over 500 patients in our service," says Tania.

"The Monash Health values are truly represented in the cleft team, who provide integrity, compassion, accountability, respect and excellence to patients and colleagues alike."

Tania's efforts have seen her set up antenatal consultations for parents expecting a baby with a cleft lip and/or palate, reducing the number of hospital visits families need. This saves families time and eases financial pressures for those needing to travel from regional or remote areas.

She also volunteers with CleftPALS, a not-for-profit organisation that provides support for cleft-affected people and their families.



Tania received \$10,000 from ME Bank to be put towards further education or professional development.

Tania will use the prize money to explore other national and international cleft services in order to establish networking, create educational opportunities and benchmark Monash Health's cleft care to further improve service delivery for families.



Find out more about HESTA Awards, visit [hesta.com.au/awards](https://hesta.com.au/awards)

# our investment performance

**It has been a very volatile start to 2020 – for financial markets, and for most of us personally as we've responded to the changed circumstances that the COVID-19 pandemic created.**

HESTA Core Pool has delivered a result of 00.00% for the 2019/20 financial year on the back of market concerns around the economic effect of coronavirus. HESTA Transition to Retirement members have seen returns of 1.14% from our Balanced option and 1.86% from our Defensive option, while HESTA Income Stream members have had a result of 0.75% from our Balanced option and 2.08% from our Defensive option.

"While these are not as positive as the results we usually like to report, they are better than what might have been had we not taken a more defensive stance in our investment strategy in mid-2019," says Chief Investment Officer Sonya Sawtell-Rickson.

"While we didn't predict a global pandemic, we were concerned that valuations in some markets had become stretched. We were also approaching the later stages of the business cycle, which historically has been a lower returning environment. This positioning has helped provide HESTA members some protection from the recent falls."

## The impact of coronavirus

Economic forecasts suggest the impact of coronavirus is far from over. "Because of this it's no surprise that we have seen significant drops in financial markets, as they respond to these changed circumstances" says Sonya.

But short-term fluctuations should be put into perspective. "With a timeframe of two years or more, we will all more than likely look back on this time as a bump in the economic road."

## For our income stream members

"The default strategy for income stream members is a combination of balanced and defensive investment assets. This has been designed to be lower risk than our Core Pool option," says Sonya.

"The government reduced the minimum amount you need to drawdown each year by 50% for the 2019/20 and 2020/21 financial years in response to coronavirus."

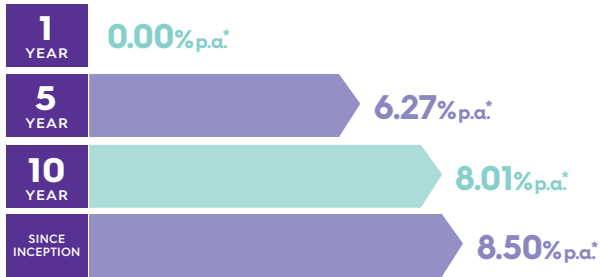


### Here for you

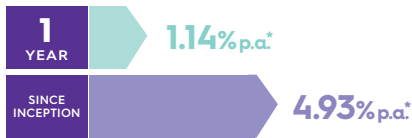
We provide advice to HESTA members at no extra cost, so if you'd like to check in with a superannuation adviser visit [hesta.com.au/advice](https://hesta.com.au/advice)



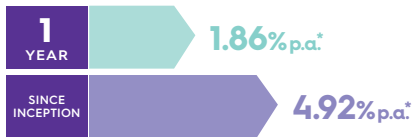
## CORE POOL\*\*



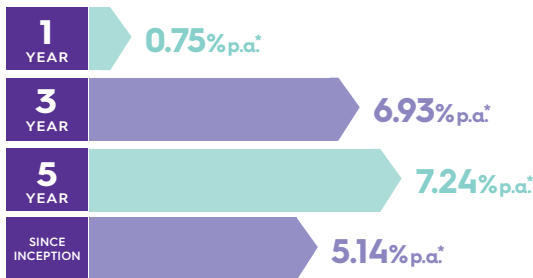
## TTR BALANCED\*\*



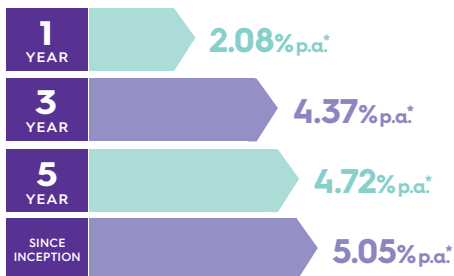
## TTR DEFENSIVE\*\*



## INCOME STREAM BALANCED\*\*



## INCOME STREAM DEFENSIVE\*\*



Our investment team and external investment managers are highly experienced at managing investments through a range of market conditions."

Sonya Sawtell-Rickson  
HESTA Chief Investment Officer

\* Investments may go up or down. Past performance is not a reliable indicator of future performance. The returns shown are net of investment fees, indirect costs and taxes.

\*\* Core Pool is the default option for HESTA super, while a blend of Balanced and Defensive options is the default strategy for the HESTA Income Stream.

# investing for you

## **Our experienced investment team is focusing our investment options to better serve HESTA members.**

From 1 October, we are making changes to the investment options we offer so they are easier to understand, and more cost-effective to run. While some will have a name change, others will be new or a mix of existing options.

In total, we will be offering 20 investment options across both super and income stream. There will be 10 taxed options for Super and Transition to Retirement members and 10 untaxed options for Retirement Income Stream members.

The investment options will be consistently named across both super and income stream. This will give you a better understanding of the investment option and seamless experience when moving from the accumulation phase of super to taking an income stream as you approach or reach retirement. For example, Core Pool - our *MySuper* authorised default option - in which over 80% of HESTA members are invested, will be renamed Balanced Growth. For Income Stream members, Balanced will also be renamed Balanced Growth.

We'll continue to offer our Income Stream default strategy. However the Defensive option is closing and is being replaced with the Conservative option.

For Super members, some of the bigger changes will include closing Infrastructure and merging with Property - creating a Property and Infrastructure option - and closing Private Equity and merging with Shares Plus which will be renamed High Growth.

For Income Stream members you will now have access to infrastructure in the new Property and Infrastructure option and Private Equity through the High Growth option. Both Super and Income Stream will also see the introduction of the new Indexed Balanced Growth option.

The table below outlines the investment option changes:

Current Super options	Current Income Stream options	New options for Super and Income Stream from 1 October
<b>Ready-made</b>		
Conservative Pool	Conservative	Conservative
Core Pool	Balanced	Balanced Growth
Shares Plus	Active	High Growth
Eco Pool	Eco	Sustainable Growth
		Indexed Balanced Growth (new)
	Defensive (close)	
<b>Your choice</b>		
Cash	Cash	Cash & Term Deposits
	Term Deposits	
Global Bonds		Diversified Bonds
Property	Property	Property & Infrastructure
Infrastructure		
Australian Shares	Australian Shares	Australian Shares
International Shares	International Shares	International Shares
Private Equity (close)		

Our investment team of experienced professionals has been managing the super of Australia’s health and community service workers for many years. No matter what changes today, they’re keeping a steady focus on your tomorrow.

If you are in any of the merging or closing options, you will already have heard from us so you know how these changes affect you and what action you can take.

You can read in more detail about the changes in the Significant Event Notice at [hesta.com.au/sen](https://hesta.com.au/sen)



# life

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Your super is helping to build homes for 100 Australians living with disability

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Turn your skills into extra \$\$\$

# rebuild your super

**The coronavirus pandemic has been challenging for all of us. We understand that times are tight and you may have had to withdraw some of your super.**

**But why not make a deal to pay yourself back?**

## **What are the long-term effects?**

Time matters. With a smaller balance, there is less money to compound - that's earning interest on interest - over time\* - and less money at retirement age means you might have to work for longer or have a reduction in your lifestyle at retirement.

## **A deal you can make with yourself**

Hopefully not long from now we'll look back at the days of social distancing as a strange memory. But your retirement is something that will last for decades, and it's something you need to prepare and build towards.

So, if you have needed to access your super (or are planning to), why not make a deal with future you to contribute more when you're able?

## **How to rebuild your super**

Think about increasing your contributions on top of what your employer pays (remembering there is a cap on what you can contribute before tax each year). Those extra contributions could mean a world of difference for you in retirement.

It will take time, but taking an active interest in rebuilding your super could have a real impact on what your lifestyle will look like in retirement.

Ready to rebuild?  
Visit [hesta.com.au/contribute](https://hesta.com.au/contribute)



\*Investments may go up or down. Past performance is not a reliable indicator of future performance.

This information is of a general nature. It does not take into account your objectives, financial situation or specific needs so you should look at your own financial position and requirements before making a decision. You may wish to consult an adviser when doing this. Before making a decision about HESTA products you should read the relevant product disclosure statement (call 1800 813 327 or visit [hesta.com.au](https://hesta.com.au) for a copy), and consider any relevant risks ([hesta.com.au/understandingrisk](https://hesta.com.au/understandingrisk)).

# investing in disability housing

**HESTA is proud to have contributed to the Synergis Fund to help transform the disability housing sector.**

HESTA has joined a group in investing \$26.5 million towards the Synergis Fund. The Fund will be used to build homes for over 100 Australians living with disability.

The Synergis Fund was established by Social Ventures Australia (SVA) and Federation Asset Management who will invest in new quality Specialist Disability Accommodation (SDA) across Australia.

“We’ve very pleased to be working with SVA and Federation to increase investments in the burgeoning disability housing sector,” says HESTA CEO Debby Blakey.

At HESTA, we use the United Nations’ Sustainable Development Goals (SDGs) as a compass for how we invest, work and advocate. Providing housing for those living with disability supports SDG 11 to make cities and human settlements inclusive, safe, resilient and sustainable.

“The way we invest focuses on the much broader impact we can have for members by aligning investments with seven strategic UN SDGs, including how we can help make communities more inclusive,” says Debby.

The National Disability Insurance Agency estimates that \$5 billion is needed to provide SDA for 12,000 participants to meet the NDIS goals. To help meet this goal, the fund is targeting \$1 billion in investments over the next five years.



“HESTA has a long standing and strong commitment to investing in vital social infrastructure; and we’ve committed \$70 million to our Social Impact Investment Trust (SIIT), which is managed by SVA,” says Debby. “Through the SIIT we invest in opportunities that deliver both a financial return for our members as well as a measurable social impact.

“A key goal of our impact investment program is to encourage other large investors to make similar investments. We believe there’s a huge untapped potential for the financial sector to both invest for a return and make a difference,” says Debby.



**We’re investing for impact.**

Find out more [hesta.com.au/responsible](https://hesta.com.au/responsible)

# setting up a side hustle from home

## Staying at home more?

The gig economy offers an opportunity to turn your skills and talents into extra funds.

Around one in four Australians are using a side gig to pump up their income.<sup>1</sup> According to Finder, the average side hustle is worth around \$7,300 annually. But it may be possible to beef up your yearly income by as much \$20,000.<sup>2</sup>

### Show me the money

A recent report found the most popular gigs involve food and drinks, reviewing products/services and photography.<sup>3</sup> But there's no shortage of ways to pocket extra coin. From renting out a spare room, to running errands through platforms like Fiverr, or selling handicrafts online, it's all about channelling your inner entrepreneur.

### Treat your side hustle like a small business

It's worth doing some research around the rules that apply to business names, product safety and consumer rights in your area. Check your state's Department of Fair Trading for information to stay on the right side of the law.

### Do the math to see if it's worthwhile

Running a side gig will eat into your spare time, and you need to be sure the sacrifice stacks up financially. You need to consider how income tax and goods and services tax (GST) apply to your earnings.<sup>4</sup> If you need more help with your tax affairs, speak to a tax adviser.

### Be mindful of your day job

It's important to check with your employer that your side hustle is permitted as part of your work contract and doesn't present a conflict of interest.

A successful side gig shouldn't compromise your main job – and holding two roles can be a juggling act. Allocate set hours for your hustle, while still allowing some personal downtime.

With planning, your side gig could leave you flush with extra cash, and loving the rewards of running your own business.



### Looking for other ways you could save money?

Why not combine your super? Visit [hesta.com.au/combine](https://www.hesta.com.au/combine)

**HESTA**



Money smarts today and tomorrow

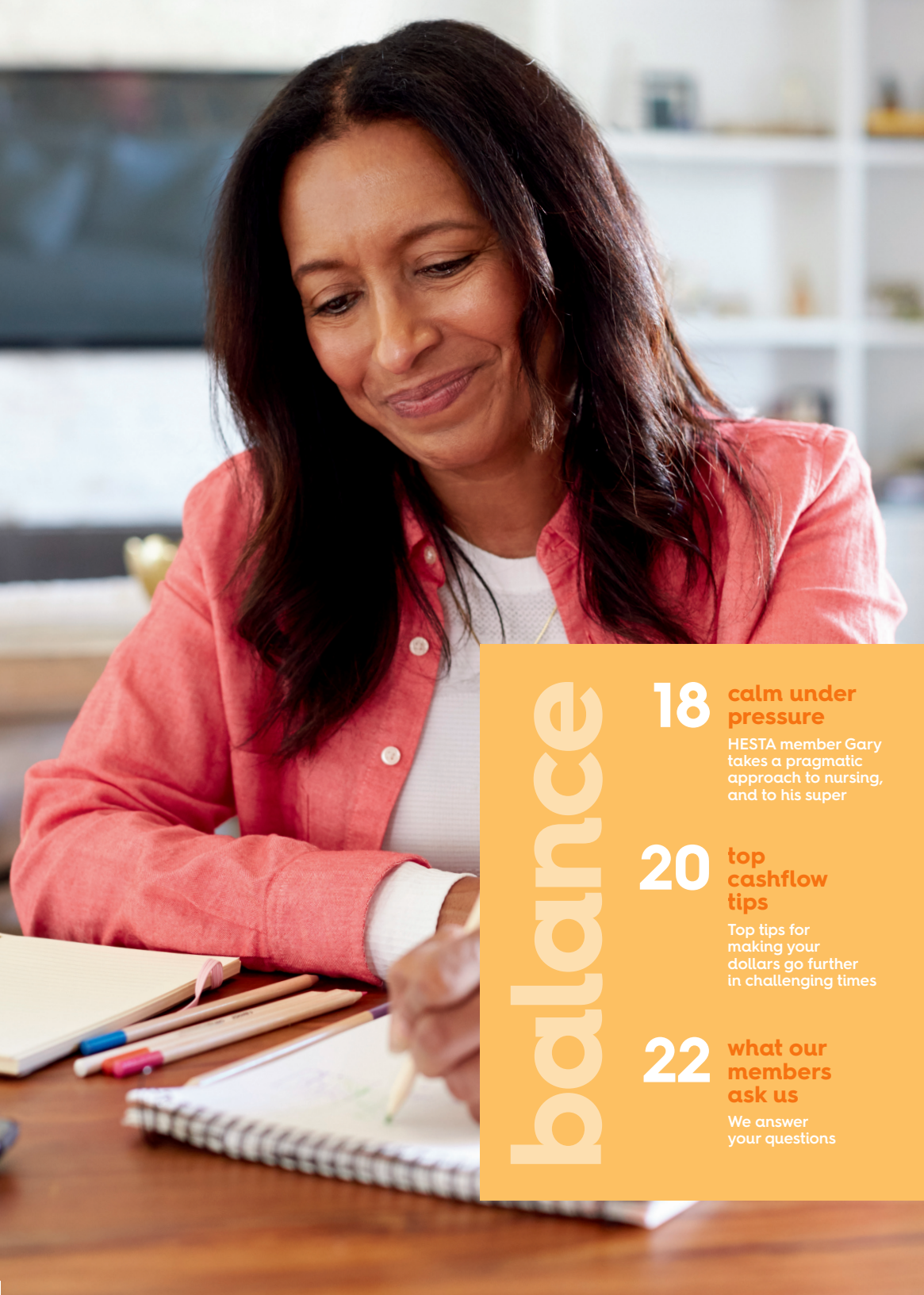
<sup>1</sup>nbn's guide to fulfilment on the side (hustle) report, nbn 2017

<sup>2</sup>How to get \$20,000 richer in 2018, finder 2018.

<sup>3</sup>nbn's guide to fulfilment on the side (hustle) report, nbn 2017

<sup>4</sup>The sharing economy and tax, ATO 2019





# balance

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We answer your questions

# calm under pressure

HESTA member Gary takes a pragmatic approach to nursing, and to his super.

Gary works in a nurse-led Medical Emergency Team for Western Health in Melbourne identifying and attending to deteriorating patients. In the current COVID-19 crisis, Gary's role as an Intensive Care Liaison Nurse Practitioner has meant he has been at the forefront of assessing potential coronavirus cases.

"I was recently involved with a patient who presented to the hospital with abdominal pain. A CT scan identified lung infiltrates which gave us concern to test him for COVID-19. This patient was ultimately found to be positive for coronavirus," says Gary.

"This was a good learning for me because the patient presented with no respiratory symptoms. It shows how difficult this virus can be to detect and how important being calm and protecting yourself is."

## **Keep calm and carry on**

Gary is pragmatic in his work, and also in the way he manages his super. "While coronavirus is terrible and having a massive impact around the world, from a super perspective I have not changed anything," says Gary.

"I moved to Australia from the United Kingdom when I was 23. I didn't know anything about the superannuation system in Australia, and joined HESTA while working in my first job.

"I have a keen interest in personal finance and investing in the stock market. In the last few years my knowledge of super has vastly improved. I am very engaged in growing my balance and follow it closely," says Gary.

### Thinking long term

"During the current health crisis, I'm still making extra contributions and have remained in the high growth option," says Gary. "I am cautious about moving my money into another option, and would only do so after professional advice."

Having enough money in retirement, and being able to do the things he enjoys such as watching English Premier League football is really important to Gary. "There are real benefits in the long term if you take the time to understand your super now," says Gary.



Want to contribute extra like Gary?  
Visit [hesta.com.au/contribute](https://hesta.com.au/contribute)



\*Returns may be positive or negative. Past performance is not an indicator of future performance.

# top cashflow tips

**Keen to make more of your money right now?  
Here are our top tips for making your  
dollars go further in challenging times.**

## **Take a closer look at your expenses**

This doesn't mean stop enjoying the things that make life fun. In fact, isolation may have made you reassess what you are currently spending money on. Perhaps you pivoted towards online home workouts instead of paying gym fees, or cooking restaurant worthy meals at home in place of going out.

## **Reduce your bills**

Finding new ways to reduce bills can help you manage your cashflow in the short term.

Banks are often more flexible than you might think in helping customers facing a tough time. Utility providers, including energy and water, could also offer flexible payment plans or 'bill smoothing' (where you can pay in smaller instalments). Schools may also offer to suspend or even waive fee payments on request.

## **Dip into cash savings**

An excellent saver when your budget permits? Congrats on thinking ahead. You might be facing one of those rainy days you've planned for, when your savings really need to be used.

Keep track of how much you're withdrawing so you can repay your savings when the cash starts flowing more freely.

## **Sell unwanted items**

Has your great aunt's dining table been sitting in your garage for years? Your trash could be someone else's treasure. You can sell items at little or no cost to you on Ebay, Gumtree or social sites like Facebook.



### **Buy recycled or preloved – or buy later**

Equally, someone else's preloved goods could be just what you're looking for – and often at a fraction of the cost of buying new. Plus there's the environmental good karma of contributing to a greener planet.



### **With HESTA, you're never alone**

Our team is right here to help you with your super now, so you can focus on your future. And it's all part of your membership.

Visit [hesta.com.au/advice](https://hesta.com.au/advice)

# what our members ask us

## What happens to my insurance when I'm on parental leave?

Welcoming a new person into the world is an exciting (and expensive) time. That's why we have insurance fee-free cover during parental leave for up to 12 months. This means your cover continues even while you're away from work – and you don't pay a cent in insurance fees from your super. To organise your fee-free cover you must be currently employed, your leave must be approved by your employer and your insurance cover must be current. You can find out more by going to [hesta.com.au/insure](https://hesta.com.au/insure)

## When can I access my super?

It all depends on when you were born and something called your 'preservation age'. This is the age at which you can access your super.

If you permanently retire after you've reached preservation age, you might want to think about a HESTA Retirement Income Stream, which lets you access your savings but keeps the balance invested for your future.

Your date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 - 30 June 1961	56
1 July 1961 - 30 June 1962	57
1 July 1962 - 30 June 1963	58
1 July 1963 - 30 June 1964	59
After 30 June 1964	60

If you're still working once you've hit the preservation age goalpost, you can transfer your super to a Transition to Retirement (TTR) Income Stream. A TTR strategy does one of two things: it can help give your super a boost before you retire by saving on tax or you can use it to supplement your take home \$\$\$ if you decide to reduce your work hours. You can find out more by going to [hesta.com.au/tr](https://hesta.com.au/tr)

## How do I transfer money into HESTA from another fund?

You can combine your super from another fund to HESTA a number of ways. The easiest option is to search for other super and roll over via your myGov account. You can also give us a call on 1800 813 327 or you can fill out a 'Rollover initiation request' form which you can download at [hesta.com.au/forms](https://hesta.com.au/forms). Before you transfer your other super into your HESTA account you should check any insurance you have with your other fund/s.

# we're bracing for impact

**From early 2021, the newly created HESTA Impact Awards will recognise people working in health and community services who are committed to creating a better future.**

The HESTA Impact Awards have been established to reward future focused teams, organisations and individuals.

The awards will highlight excellence in sustainability or waste management, gender equality, diversity and inclusion, improved health outcomes or improved patient wellbeing and sector-wide partnerships.

#### **Categories and prize money\***

- Team Innovation \$15,000
- Outstanding Organisation \$10,000
- Individual Distinction \$5,000

Nominations will open later this year and finalists will be announced in early January 2021.

We are looking forward to acknowledging some (more) amazing people!



To find out more visit [hesta.com.au/awards](https://hesta.com.au/awards)

# Did you know you can stay with HESTA when you're ready to stop working?

There are over 20,000 HESTA members either transitioning to, or enjoying, full retirement through a HESTA Income Stream.



HS 1318.0 08/20 ISS 6

[hesta.com.au/retire](https://hesta.com.au/retire)

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