

SuperContact

New industrial Awards

What should you know?

To sign-up to receive our new online newsletter for employers, visit healthsuper.com.au and click 'subscribe'.

April 2010

The industry fund for the people who care

Chris Clausen



This year is shaping up to be another exciting one for Health Super, our employers, stakeholders and members.

After a couple of challenging years, with turbulent share markets and negative investment performance, the economy is starting to show signs of improvement. Your employees should start to see this reflected in their member benefit Statements and we remain cautiously optimistic that share markets will continue to improve in the months ahead.

A new year, a new-look Fund

After a lot of hard work which included significant research and consultation with members and employers, Health Super launched its new-look brand in late 2009. Our new visual identity is both modern and memorable and clearly positions us as the industry super fund for the people who care.

We hope you'll embrace the new brand and take pride in your Fund's new image which we think more accurately represents the diversity of people and professions within the Health and Community Services sector.

Making super simpler

We are continually looking for ways to make your super contributions processing simpler. BPAY® and eSuper (allowing electronic

submission of payrolls) are two new services that Health Super is introducing to employers.

eSuper is our online login area for employers and will help you better manage your super administration. You can also now make contribution payments quickly and securely using BPAY. BPAY has been offered to members for additional contributions and we are now pleased to offer the service to you to speed up the contribution payment process. You will need to contact us for our BPAY biller code and your reference number. Go to page 9 for more information on both of these services.

New Awards now in place

I encourage all employers to familiarise themselves with the new industrial relations Awards that came into effect on 1 January 2010.

Health Super has developed fact sheets to help explain your obligations under the new Awards. You can also download a full copy of the Awards directly from our website. Go to page 4 for more information.

We look forward to working with you to make 2010 a successful year.

Chris Clausen – CEO

Contents

- 2 From our CEO
- 3 Henry Review
Fee increase
- 4 Cash date processing
New industrial Awards
- 5 Get your news online
Nursing & Midwifery Awards
- 6 Economic and market update
- 7 Super investment performance
- 8 Tips to help you with your super administration
- 9 An easier way to pay
Online contributions
- 10 Keeping older workers in the workforce
- 11 Financial Fitness Program
- 12 Check out our new ads
- 13 Employer profile: McCallum Industries
- 14 Making a difference on a global scale
- 15 Supporting your community

Henry Review (Australia's future tax system review)

The Australia's Future Tax System Review Panel delivered its final report to the Government in December 2009.

The Government will consider the Henry Review and release it to the public in early 2010.

The Henry Review took a 'root and branch' approach examining Federal and State Government taxes and interactions with the transfer system in order to make recommendations to position Australia to deal with the demographic, social, economic and environmental challenges that lie ahead.

Source: The Commonwealth Government of Australia <http://taxreview.treasury.gov.au>



Fee increase from 1 July 2010

As an industry super fund, Health Super is run solely to benefit members. Accordingly, we only charge what is necessary to provide members with quality financial products and services. In order to continue doing so, the Trustee of Health Super has found it necessary to increase the weekly account-keeping fee on Accumulation accounts by 25 cents per week from \$1.50 to \$1.75. The increase will come into effect on 1 July 2010.

This \$13 per year increase will allow the ongoing provision of products and services to members while ensuring Health Super remains a value-for-money super provider. For further information about Health Super's fees and costs, please refer to the Health Super Accumulation Member Guide (Product Disclosure Statement), a copy of which can be found on our website at healthsuper.com.au or by calling 1800 133 050.



Cash date processing and the effect on your employees' super contribution caps

From 27 July 2009, Health Super allocates all employer super contributions as at the day the contribution is received. This change brings us into line with other super funds and makes our contributions processing the same for all members.

How can this affect employees' contribution caps?

Members' contributions will not be allocated to their super accounts until the contribution is actually received at Health Super from you.

Therefore, it is important to have your payments for super contributions through to Health Super at the same time as payroll information is submitted and promptly after the payroll end date.

Special consideration is needed for the end of the financial year.

Please be aware of our cash date processing when making your last payment for the financial year.

If the payment for contributions is not received prior to 30 June, those monies will be processed in the following financial year. This can affect the contribution caps of your employees for this and the following financial year.

Please make sure you get the contributions in on time.

If you have any questions please contact your Account Manager or our office on 1800 133 050.

New industrial Awards now in place

The Australian Industrial Relations Commission (AIRC) has consolidated a myriad of Awards which previously covered workers in the Health and Community Services sector.

From 1 January 2010, there are now the following Awards:

- Medical Practitioners Award 2010
- Health Professional and Support Services Award 2010
- Nurses Award 2010
- Aged Care Award 2010
- Social, Community, Home Care and Disability Services Industry Award 2010
- Ambulance & Patient Transport Industry Award 2010
- Children's Services Award 2010
- Fitness Industry Award 2010
- Supported Employment Services Award 2010

The Awards have been updated and set out the minimum terms of employment for workers in each category in relation to issues such as:

- types of employment
- minimum wages and related matters
- hours of work and related matters
- leave and public holidays
- consultation, dispute resolution and termination

They also outline your obligation as employers in relation to superannuation. The new Awards do not affect those workers who are under an enterprise agreement.

Health Super is listed as the default super fund for the first five new categories above. This means if your employees do not choose a super fund, Health Super can be used as a default fund. We are the only default super fund listed in the Medical Practitioners Award 2010.

To help you understand the new Awards, we have prepared fact sheets for you to download. Visit healthsuper.com.au/employers/awards to download a fact sheet or to view full details of each Award.



For more information on these and other Awards visit the AIRC website airc.gov.au



Get your news online

Health Super will soon be launching a new online newsletter, specifically designed for employers in the Health and Community Services sector.

Super Contact magazine will continue to be mailed to you twice a year, not quarterly like it was in the past. But to ensure you stay in touch, you have the opportunity to sign-up to receive newsletters via email throughout the year as well.

This is a more timely and cost effective way for us to keep you up-to-date with the latest super news. You'll also be helping the environment by reducing the amount of paper we use.



Sign-up to receive our new online newsletter for employers – visit healthsuper.com.au and click 'subscribe'.

And the winner is...

Is the next winner of the Deakin University Health Super Leadership in Nursing and Midwifery Awards working for your organisation?

Proudly sponsored by Health Super for the third year in a row, the Awards are open to anyone currently registered as a Division 1 nurse/midwife (including Division 3 and 4). Applicants can enter themselves or be nominated by a colleague or employer.

You will be able to nominate candidates from your workplace soon. Keep an eye on the Health Super and Deakin websites for more information and to download an application form.

Visit www.deakin.edu.au/hmnbs/nursing/awards

We can also provide information and posters to place around your workplace or on your Intranet to encourage others in your organisation to nominate themselves or someone else. Please contact us on 1800 133 050 or keep an eye on our website in the coming months for more information.



Award winner
Kath Riddell
Practice Development Manager
Eastern Health network

Applications close in September and winners will be announced at a ceremony in late October. There is one major award and three runners-up prizes.



Economic and Market Update

Global financial markets have recovered strongly in the 2009/10 financial year as investors around the world gain confidence that the improvement in financial and economic conditions appears sustainable, and the worst of the 'global financial crisis' is behind them.

Renewed optimism has seen a continuation of the recovery in world share markets this financial year from their March 2009 lows. For the financial year to February 2010, the Australian share market rose by approximately 20% benefitting from the global economic recovery. International markets have also risen by similar amounts, however returns to Australian investors have been constrained to single digits due to the strength of the Australian dollar. Fixed interest markets have also shown improvement over the financial year to date with Australian fixed interest returning 5% and international fixed interest returning 7%. The strength in share markets in particular, has flowed through to improved returns to superannuation members during the 2009/10 financial year.

The Australian economy has performed strongly in the 2009/10 financial year, assisted by the Australian Government's stimulus packages and China's demand for Australian natural resources. The economic recovery in Australia appears set to continue its recovery in 2010 with the return of consumer confidence, a recovery in housing construction, increased infrastructure investment and a number of mining projects set to underpin growth.

In response to improving economic conditions, the Reserve Bank of Australia increased the local cash rate to 4% in the latter part of 2009 / early 2010, as it sought to move monetary settings from 'emergency levels' towards more 'normal levels'. According to market commentators, interest rates in Australia are likely to continue to rise in the remainder of 2010 as the economy gains strength, economic growth becomes self sustaining and inflation starts to creep upwards.

Globally, historically high unemployment and a high level of Government debt are both likely to impact future growth. However despite the potential tough economic conditions, many major economies around the world are beginning to show signs of stabilisation and the potential for an economic turnaround.



SUPER INVESTMENT Performance

Health Super's investment options have performed strongly since the beginning of the financial year (1 July 2009 to 28 February 2010). The table below highlights the performance of each Health Super investment option:

Standard Investment options

Standard option	1 July 2009 – 28 Feb 10 (%)	3 year compound average [^] (% p.a.)	5 year compound average [^] (% p.a.)	10 year compound average [^] (% p.a.)
Long-term growth	13.25	-2.18	4.98	4.32
Medium-term growth	11.39	-0.38	5.18	4.65
Balanced	9.94	1.20	5.09	N/A
Short-term conservative	7.53	2.74	4.91	4.58
Stopover	2.31	5.00	5.11	5.12

Socially Responsible Investment options

Standard option	1 July 2009 – 28 Feb 10 (%)	3 year compound average [^] (% p.a.)	5 year compound average [^] (% p.a.)
Long-term growth	12.75	-1.08	4.44
Medium-term growth	11.06	0.35	4.72
Balanced	9.72	1.65	4.75
Short-term conservative	7.44	2.93	4.67

[^] To 28 February 2010.

* SRI options were introduced in 2003. As a consequence, a 10 year average is not available.

Note: Past performance is not a reliable indicator of future performance. Returns shown are for Accumulation accounts, net of applicable fees and costs (but not all fees). See Health Super's Member Guide for more information. Returns can be positive or negative.

TIPS

to help you with your super administration



The importance of Tax File Numbers

You should ensure that you have supplied us with the tax file number (TFN) for all employees who are members of Health Super. If we don't have the TFN for one of your employees, they may be disadvantaged in the following ways:

- Paying higher tax on their before-tax super contributions (46.5% instead of 15%)
- Paying higher tax when they withdraw their super from their account
- We are unable to receive any personal (after-tax) super contributions from a member who has not provided their TFN
- Without TFNs there could be delays in processing the employer contribution

As you can see there are advantages in providing us with the TFN for all your employees that have a Health Super account. Call us on 1800 133 050 for more information.

Minimum information required for new members

Every time a new employee joins Health Super you need to supply us with certain information for us to process and allocate the payment to their account.

When you send the payroll data for a new employee please ensure you include the following information:

- Full name (including any middle names)
- Street address (this must be their personal address, not a postal address and not the address of your workplace)
- Date of birth
- Tax File Number

Do you need to put super on PAYG payment summaries?

We have received some queries from employers about the need to list super contributions on the end of financial year (PAYG) payment summaries for your employees.

The Australian Taxation Office (ATO) states that only reportable employer super contributions should be included on your employees' PAYG payment summaries. Ordinary Super Guarantee (SG) contributions do not need to be included. Reportable employer super contributions are contributions that:

- Your employee influenced the rate or amount of super you contribute for them
- Are in addition to the compulsory super contributions you make under super guarantee law, an industrial agreement, the trust deed or governing rules of a super fund, or a federal, state or territory law.¹

You can search the ATO website for 'reportable employer super contributions' for further information.

You can also download the 'How to complete the PAYG payment summary – individual non-business form' from the ATO website which outlines more information about what to include on the PAYG payment summaries.

For more information please contact the ATO, or visit their website ato.gov.au

¹ Source: Australian Taxation Office.

BPAY®



Have you got a suggestion for Health Super? Send us an email at enquire@healthsuper.com.au

An easier way to pay – introducing for employer contributions

We are always looking for ways to enhance our service to you. To make it easier for you to make contributions, we have introduced the BPAY® system.

BPAY offers you online payment capabilities that simplifies the process of submitting super contributions for your employees. Contribution payments made via BPAY are processed more efficiently than Electronic Funds Transfer (EFT) and cheque payments.

You will need to contact us on 1800 eSuper (378 737) to receive the Biller Code and your employer reference number to make payments.

Making super contributions with is easy

To make a super contribution, access either your online banking or phone banking service and follow the prompts to make a 'bill payment' (using the Biller Code and Reference Number – these details are available by calling us on 1800 eSuper [378 737]).

After the payment has been made, simply send through your Health Super contribution schedule to us as usual.

Please contact us on 1800 eSuper (378 737) if you have any questions.

® Registered to BPAY Pty Ltd ABN 69 079 137 518.

Online contributions processing through eSuper

We want to make processing super contributions as easy as possible, which is why we are introducing eSuper, an online facility for you to manage your super administration.

Stay tuned for more information on when and how you will be able to begin using the eSuper service. If you have questions please feel free to call our dedicated eSuper hotline on 1800 eSuper (378 737).

The online eSuper facility will allow you to better manage your super contribution submissions by:

- providing an easy-to-use online view, pre-populated with your current employee information
- supplying a dedicated login and password, specific to your payroll centre
- submitting contributions and payroll data files online
- managing employee records online
- running inbuilt validations on payroll data (do it once, do it right)

- issuing online confirmations to guarantee that submissions were received
- reducing time to post contributions to member records
- reducing member enquiries to the pay office
- viewing summaries and reports online
- reporting on historical contributions
- supporting ATO employer audits with historical reports
- accommodating your current payroll file format or that of your pay bureau.

No software installation is required

eSuper uses standard browser software and offers a highly secure online interface.

For more information visit our website or call us on 1800 eSuper (378 737).



Keeping older workers in the workforce

Skilled workers are hard to find and often just as hard to keep. But today's employers face an even greater challenge with increasing numbers of their most experienced workers on the verge of retirement.

Managing the retirement plans of staff has become a major issue for many organisations. With the cost of training new staff on the rise and a shortfall in skilled staff likely to continue, developing strategies to retain older workers is becoming increasingly important.

Improving financial literacy

Losing skilled employees to early retirement may be reduced by increasing the financial competence of your workers. Research shows that almost half of all pre-retirees don't know how much money they'll need in retirement and even fewer have obtained professional financial planning advice.

Improving financial literacy can provide a reality check for workers in terms of whether they can actually afford to retire early or whether they should consider flexible working hours and stay in the workforce for longer.

Win-win for employers and pre-retirees

Starting a Transition to Retirement (TTR) Pension may provide a win-win solution for both employers and workers nearing retirement.

A TTR Pension allows workers who have reached their preservation age (currently 55 years of age or older) to access some of their 'preserved' super savings without having to leave the workforce permanently.

As an employer, you may like to see your staff taking a TTR Pension so that you can hold on to your valued employees longer and not lose them to full-time retirement.

Contact your Account Manager or Health Super on 1800 133 050 and we can conduct a specific seminar for your employees on Transition to Retirement Pensions.

Depending on their goals and financial position, starting a TTR Pension may be an attractive option for your employees because it may enable them to:

- Cut back their working hours, possibly without reducing their take-home pay. The income they'll lose when they reduce their hours of work may be supplemented with regular payments from their TTR Pension, so their take home pay could remain the same.

- Potentially increase their retirement savings. Making additional contributions via a salary sacrifice arrangement and supplementing their income with payments from a TTR Pension may help to boost their retirement savings.
- Reduce the amount of tax paid. No tax is generally payable when money is transferred into a TTR Pension and no tax is payable on any investment returns earned in a TTR Pension. Pension payments are also tax-free from 60 years of age.

Learn more about Health Super's TTR Pension

Starting a TTR Pension can provide greater flexibility in how your employees plan for their retirement.

It can also help you hold on to your valued members of staff.

To learn more about transition to retirement, visit healthsuper.com.au or call 1800 133 050 and arrange for a Health Super Account Manager to visit your workplace and speak to your staff about the benefits of starting a Health Super TTR Pension.

We can help educate your employees about money

WITH OUR FINANCIAL FITNESS PROGRAM



Did you know that one in two Australians think finance, investments and superannuation are too complicated for them to properly understand?

Many older people and those on low incomes are also uneasy about the increasing complexity of financial decision-making and would prefer someone else to make the financial decisions for them.

Building financial literacy in the workplace

Financial literacy is the ability for an individual to make informed judgements and effective decisions about how they use and manage their money.

The workplace is a great place to learn about financial literacy because it's where a lot of financial decisions are made; about salary, superannuation and other benefits.

Worry about personal finances has been shown to contribute to stress, resulting in increased absenteeism and under-performance.

Employers who support financial literacy often enjoy a more conscientious, resourceful and dependable workforce, resulting in improved performance at both an individual and organisational level.

Educate your employees online

Health Super has developed a Financial Fitness Program to help your employees improve the way they manage their finances.

Delivered online via the Health Super website, these interactive modules provide easy to understand tips, calculators, budget planners and information on a range of financial topics relevant to everyday life.

Topics include:

- Managing your money
- Investing/The share market
- Insurance
- Superannuation
- Retirement planning
- Estate planning
- Women and money

All staff, including those who are not currently Health Super members, can view a sneak preview of the online program by following the steps below:

1. Visit healthsuper.com.au
2. Click the Financial Fitness Program button located on the home page
3. View the demonstration modules provided

Only Health Super members who have registered for an online account can view the full modules.

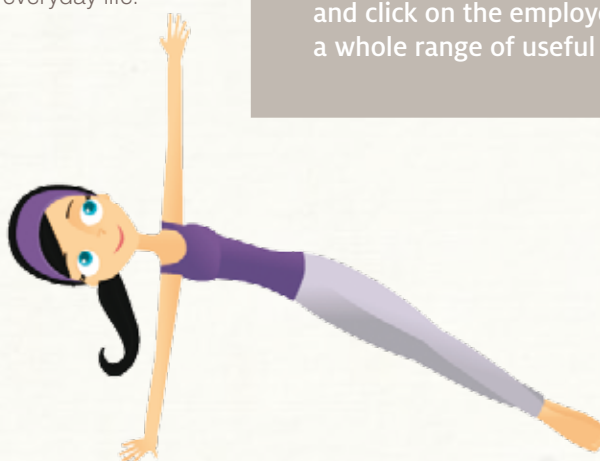
We encourage you to take a look at the demo modules on our website.

Get the message out there!

Health Super has prepared an email for you to send to your staff promoting the benefits of improved financial literacy. We have also developed brochures about our Financial Fitness Program which you may like to distribute at your workplace. Contact us on 1800 133 050 for more information.



Visit our website, healthsuper.com.au and click on the employer section for a whole range of useful information



Check out our new ads

Health Super has recently launched a series of advertisements which reflect our new brand and position as the industry fund for the people who care.

The ads will appear on billboards, at tram and bus stops and in a range of industry magazines over the coming months and feature real Health Super members – your employees.

We hope you're proud of our new look which we believe more accurately reflects the diversity of people and professions within the Health and Community Services sector.





Jason White
Ollie's Lollies Sales Coordinator

EMPLOYER PROFILE: McCALLUM INDUSTRIES

Life is sweet thanks to Ollie's Lollies

McCallum Industries, a division of McCallum Disability Services, offers supported employment opportunities for people with disabilities in Ballarat and the surrounding district.

McCallum Disability Services is one of Health Super's valued participating employers and through Health Super's account manager, Simon Blanks, we have been learning about their latest venture.

Ollie's Lollies is a relatively new part of the McCallum Industries business, delivering high quality, yet affordable confectionery to customers and offering much needed work in the areas of packing, retail sales and wholesale distribution to around 100 disabled employees.

Business as usual

"Effectively we're the same as any other business," explains Trevor Miller, Manager of McCallum Industries. "We apply the usual business principles and practices, we have the same overheads and we work hard to sustain our operations."

"We just have a slightly different mind-set. As a registered charity, we're not driven by the need to make profits for shareholders. But the more successful we are, the more people we are able to employ with disabilities which is a better outcome for everyone involved."

"The ability to say 'I have a job' is highly valued in any community. But unfortunately, there are very few opportunities for people with disabilities, especially those with high and complex support needs. Just being able to wear a McCallum's uniform is a great confidence booster. It's something our staff are really proud of," said Miller.

All of McCallum's supported workers are paid an Award-based wage as well as the usual employment benefits like annual leave, long service leave and superannuation. "They're fully-fledged employees and we treat them as such," he said. "It's a lot different to how things were 20 or so years ago."

More jobs through manufacturing

Ollie's Lollies currently sells over 30 types of confectionery but there are plans to increase the range to 50 lines in the coming years. The Australian Disability Enterprise is also working on manufacturing its own lollies, as McCallum Disability Services' Chief Executive Officer, Shane Molloy, explains.

"We've been working in partnership with the Food and Technology Department at Ballarat University to develop a lolly that is uniquely Ballarat," he said.

"We were given a recipe for a lolly made in this area in the early 1900s but it didn't have any instructions, just a list of ingredients. The university has spent the last year working on it and they've come up with a recipe for a chewy caramel twist. If we can get funding we need, we could have them in the marketplace as early as next year."

McCallum's is currently waiting to hear whether their application for Federal Government funding has been successful. If approved, it will provide the capital needed to expand their factory and set-up the new confectionery manufacturing business.

All proceeds from the sale of Ollie's Lollies go towards the ongoing provision of employment services for workers with disabilities. For more information, visit ollieslollies.com.au



Making a difference on a global scale

Climate change. Human rights. Corporate governance. These are huge issues with no simple or quickfix solutions. But organisations like Health Super are doing their bit to make a difference.

Health Super became a signatory to the United Nations Principles for Responsible Investment (UNPRI) in November 2007. The Principles provide a framework for incorporating environmental, social and corporate governance (ESG) issues into the investment analysis and decision-making process.

In practical terms, Health Super is strengthening relationships with investment managers who share our commitment to ESG issues. We are working with them to develop investment policies and procedures that take into consideration ESG issues and are looking for other ways to integrate ESG issues into our ownership practices.

Health Super has also joined the ESG Research Australia Initiative, developed to encourage and promote Australian research that considers the impact of ESG issues on investment returns.

We are also a supporter of the Carbon Disclosure Project, which collects and distributes information to motivate investors, corporations and governments to take action to prevent the dangers of climate change.

We believe that showing our support for ESG issues will have a positive impact on long-term investment performance. Health Super believes this will mean better returns for our members and a better world for us all.

It's easy being green

At Health Super, we practise what we preach! Many of our staff catch public transport or cycle to and from work, we use 80% recycled paper in all of our printers and we recycle our paper waste. We also buy green energy and carbon credits for staff vehicles and switch off floor lights daily to minimise our carbon impact.

But there's more we can do! Health Super has recently set up a Green Committee to identify other ways we can reduce our carbon footprint and lessen our impact on the environment. We'd also like to encourage you to think about the small changes you can make today that will make a big difference to our world in the years to come.



Call us on 1800 133 050 to request any of our publications, brochures or forms. We'll be happy to send them to you.



Kevin Sheedy, Dean Jones and Glenn Archer

Supporting your community

The Great Vic Trek for Yooralla, an 1800km celebrity walk/run/ride across Victoria, raised over \$310,000 for one of the oldest and largest non-profit providers of assistance to Victorians living with a disability.

The Great Vic Trek for Yooralla

Health Super was delighted to be the principal sponsor of The Great Vic Trek for Yooralla which was led by former Australian cricket champion, Dean Jones and supported by some of Victoria's favourite celebrities and sporting personalities.

After a challenging 21 days on the road, participants were given a standing ovation by the MCG crowd as they completed a victory lap during tea break on the second day of the Boxing Day Test Match.

It was a great show of support for Yooralla, the trekkers and everyone who contributed to the success of this very worthy event.



Vision Australia's Carols by Candlelight®

Wet weather did little to dampen the spirits of the sell-out crowd who gathered at the Sidney Myer Music Bowl on Christmas Eve to enjoy Vision Australia's Carols by Candlelight®.

Celebrating its 72nd year, Vision Australia's Carols by Candlelight® 2009 helped to raise one million dollars for Vision Australia's Children's Services, to help children who are blind or have low vision to increase their choices and reach their full potential in life.

Health Super was proud to once again provide support as the principal sponsor for the Vision Australia's Carols by Candlelight® Live Site at Federation Square and we look forward to continuing our support in 2010.

Photo provided courtesy of Vision Australia



**Do you have questions?
We're here to answer them.**

We have people who are ready to take your phone call and guide you through any issues you may have.

Call us: 1800 133 050

8.30am–6.00pm, Monday–Friday AEST

Email: enquire@healthsuper.com.au

Fax: (03) 9614 8048

Send a letter to: Locked Bag 2900

Collins Street West VIC 8007



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