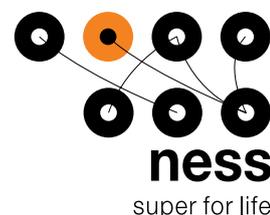


New South Wales Electrical Superannuation Scheme Employer Newsletter



Winter 2011

The purpose of this regular newsletter is to keep employers in the electrotechnology industry informed about your Fund and what's happening in superannuation.

NESS delivers another solid performance

The year to 30 June 2011 resulted in strong positive returns despite continuing volatility in world investment markets during that period. This continues the positive results in the 2009/2010 financial year as a recovery from the effects of the Global Financial Crisis (GFC) in the previous two years' returns. However, the GFC is responsible for the 5 year returns being lower than normal.

NESS' rates of return to 30 June 2011, net of fees and tax:

Option	2011 (%)	Compound Rates PA 5 Years to 2011 (%)
Cash	4.9	3.9
Stable	7.8	3.8
Balanced	8.6	1.9
Property	15.3	4.1
High Growth	10.4	0.7
Australian Shares	11.3	NA
Overseas Shares	7.9	NA

NESS' Pensions

Pensions are available to members who are 55 with \$20,000 or more. They are extremely tax effective and allow otherwise preserved money to be paid as regular income whether working or retired. From age 60, all income is completely free of tax.

From 1 July 2011, the NESS' Pension offers investment options dedicated to the special needs of pension members. Please contact us for a copy of the new NESS Pension Product Disclosure Statement.

The rates of pension returns shown below are generally higher than those for the main Fund, to the left, because the investment earnings within a pension fund are free of tax.

NESS' Pension returns to 30 June 2011, net of fees and tax:

Option	2011 (%)	Compound Rates PA 3 Years to 2011 (%)
Cash	5.8	4.2
Stable	9.0	3.2
Balanced	9.5	0.8
Property	17.1	0.6
High Growth	11.1	-0.5
Australian Shares	11.7	2.2
Overseas Shares	10.2	-2.8

One measure of a super fund is how it compares with its peers in the industry. All NESS' investment options performed well in this respect.

Another measure is how they perform compared with their objectives of out-performing inflation, as measured by the Consumer Price Index (CPI). The CPI for the year ended 30 June 2011 was 3.6%.

In recent months, equity (share) markets experienced their most difficult time since the early 2009. Please see the NESS website www.nesssuper.com.au and the NESS Trustee Update on Financial Markets. This provides a general update on economic developments over recent times, with a particular focus on events in early August 2011.

NESS members will be advised of the returns for the Options they selected during the year in their Annual Statements that are scheduled to be mailed on 13 October 2011.

20 Years of Superannuation Guarantee

Superannuation Guarantee (SG) legislation came into effect in August 1991 and commenced on 1 July 1992 at a starting rate of 3%. The SG was progressively increased until it reached 9% from 1 July 2002. The Government has announced that it intends to increase it from July 2013, gradually, until it reaches 12% from July 2019. However, this increase from 12% has not yet been legislated.

Since SG was introduced, the long-term average return generated by a typical "balanced" super fund account has been 7.1%* a year, according to a superannuation rating company, SuperRatings.

Most Australian workers have their super money invested in a balanced (default) investment option. A balanced investment option, which some super funds call "Growth" or "Balanced", typically has between 60% & 80% in growth-style assets such as shares and property. *Source: SuperRatings website (www.superratings.com.au)



It's super easy to arrange your NESS workplace visit!

If you haven't already met with Mynas Leontios, the new employer & member service representative for NESS, then why not organise some time to have him come to your workplace and discuss your employee superannuation arrangements?

Mynas will not only make sure you're efficiently and effectively meeting the compulsory superannuation obligations for your business, but take the time (20-30 minutes is all it takes) to meet with staff and outline the 6 steps to realise their super potential! Best of all, they don't have to be NESS members to meet with Mynas.

Please contact Mynas on 0448 432 443 or by email mynasl@neca.asn.au to arrange your onsite meeting.

NESS BENEFITS FOR EMPLOYERS

- ☑ NESS makes it easy and convenient for you to administer your employees' super. We help you to meet all your company's compulsory Superannuation Guarantee and award obligations.
- ☑ We accept personal and salary sacrifice contributions.
- ☑ You can choose from several electronic (online) contribution options that replace paper-based transactions, making the monthly process of providing member data and payments simple.
- ☑ We offer personal service and our friendly servicing & administration staff are always there to help you.
- ☑ Includes added value benefits for members such as personalised financial advice services, discounted banking products and corporate health plan membership.

Super increases to NESS' insurance cover from 1 July 2011

As part of NESS' ongoing policy to maximise members' benefits, improvements have been made to insurance covers at no cost to members.

Temporary Salary Continuance (TSC) covers provide monthly benefits to members who suffer a disability that prevents them working (conditions apply). From 1 July 2011, one unit of TSC cover provides eligible members with income of up to \$1,200 per month, an increase of \$200 per month for no extra cost. Default cover increases by \$400 a month to \$2,400.

Also from 1 July 2011, the eligibility period for the provision of Basic (default) Death cover and Basic (default) TSC cover without the need for new members to supply medical evidence, has increased from 120 days to 180 days.

Further improvements in NESS' insurance cover relate to benefits for members residing overseas, the payment of approved rehabilitation expenses on suffering a disability and other of NESS' insurance terms and conditions. Contact us for more information.

Contact us if you want to know more about any of the topics in this newsletter

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