WealthAdviser

ISSUE 150
NOVEMBER 2026



THE 150TH ISSUE

Permission. Perspective. *Practice.*

Three things worth testing before you rely on them: the habit of never touching your savings, the headline that ruins breakfast, and the retirement you have not tried yet.

3 Permission to Spend

6 "Billions Wiped Off"

9 The Retirement Rehearsal

FROM THE EDITOR

Permission. Perspective. *Practice.*

This is the 150th issue of Wealth Adviser. Across those issues the rules have changed many times, while the questions people bring to their advisers have changed very little. Most of them come down to whether what we believe about our money is actually true.

This issue looks at three beliefs that are rarely tested. The first is that savings are for keeping, which leaves some retirees going without things they can comfortably afford. The second is that a frightening headline means what it appears to say. The third is that we know what retirement will cost, and how it will feel, before we have tried it.

None of the three features tells you what to do. Each offers a way of checking an assumption, and a better question to bring to your next review. The Q&A pages pick up where the features leave off.

IN THIS ISSUE

I — RETIREMENT SPENDING — 3
Permission to Spend
Why some people who saved for forty years cannot bring themselves to spend, and what changes that.

II — READING THE NEWS — 6
"Billions Wiped Off"
Five familiar headlines, what each one really says, and three questions to ask of any of them.

III — PLANNING AHEAD — 9
The Retirement Rehearsal
How to test what retirement will cost, how the days will feel and who you will be, before giving anything up.

IV — QUESTIONS AND ANSWERS — 12
Ask a question
Minimum pension payments, the return on your statement, tax on long service leave, going back to work, and what happens if a bank fails.

V — REFERENCE — 14
Key figures 2026–27
The rates, caps and benchmarks referred to in this issue, on one page.

Wealth Adviser is published by Wealth Adviser Investment Solutions Pty Ltd (AFSL 548813). The content is general information only and does not take account of your objectives, financial situation or needs. Consider whether it is appropriate for you and speak with your adviser before acting.

FEATURE I



RETIREMENT SPENDING

Permission to *Spend*

Some people spend forty years learning to save and then find they cannot stop. On the retirees who have enough and still go without, and what it takes to change that.

FOUR YEARS ON THE LIST.

For four years, a rail journey through the Canadian Rockies has sat near the top of Helen and Ross's list. They are 68 and 70, the mortgage went years ago, and every review of their finances has reached the same conclusion: they can afford it comfortably. Each spring they talk about booking. Each spring one of them says it might be better to wait a year, until things settle down.

Nothing is unsettled. The balance of their super has barely moved since they retired. That last fact is what holds them back. They have come to see the balance as the measure of how they are doing, and a trip of that size would make the number fall.

Helen and Ross are illustrative, but the pattern they stand for is well documented, and it runs against the fear most people bring into retirement. The common worry is running out. For a large group of retirees the more likely outcome is the reverse.

WHAT THE EVIDENCE SHOWS

The federal government's Retirement Income Review, which reported in 2020, concluded that most people die with the majority of the wealth they had when they retired. It found that retirees worry about outliving their savings and respond by spending less, and that a significant share of retirement savings ends up as a bequest, often an unintended one.

> *For a lifelong saver, evidence is usually what was missing.*

That is the Review's broad conclusion, drawn from several sources. One of them, the most detailed Australian study of its kind, followed more than 10,000 age pensioners through eight years of Centrelink records, from 1999 to 2007. Among those who died during the study, the median pensioner left assessable assets, a measure that excludes the family home, worth about 90 per cent of what they held when first observed, after allowing for inflation. The sums involved were mostly modest and the data are now two decades old, but the share left behind was much the same across ages and levels of wealth.

Two cautions belong here. The first is that a preserved balance is not the same thing as a frugal life. Assets can hold their value because investment returns replaced what was spent, and a retiree can live well on income while the capital stays intact. Evidence that people keep their savings shows that they draw them down slowly. It does not prove they are going without.

The second is that the picture is disputed. The Super Members Council, which represents profit-to-member super funds, argues that underspending is a myth. Its analysis found that about two-thirds of people with tax-free retirement accounts withdrew more than the legal minimum in 2024–25. Withdrawals are not spending either, since money taken out of super can simply be banked, but the finding is a fair warning against treating every retiree as a reluctant one.

The reluctance described here is most visible among people who have more than they need for the basics, which is the position of many who read a newsletter like this one.

A HABIT THAT OUTLIVES ITS PURPOSE

Several explanations overlap.

The first is simply habit. For forty years, every financial message a working person receives points one way: put more in, leave it alone, watch it grow. Nobody rehearses the opposite skill, and retirement asks for it overnight.

The second is the way people weigh losses. Research in behavioural economics going back to the 1970s shows that a loss is felt more sharply than a gain of the same size. A balance that falls by the cost of a holiday registers as a loss.

The third is a rule many people carry without examining it: income is for spending and capital is for keeping. The Retirement Income Review observed the same pattern, with many retirees living on what their savings earn and leaving the capital alone. A plan that leaves the capital untouched is a plan to leave it to someone else, which is a legitimate choice only if it is the one you meant to make.

The fourth is the minimum drawdown rule. Anyone with an account-based pension must withdraw at least a set percentage of the balance each year. In 2026–27 that is 4 per cent for those under 65, 5 per cent from 65 to 74, 6 per cent from 75 to 79, and so on up to 14 per cent from age 95. These figures are a legal floor, not guidance on how much to spend. Even so, the Review found that the minimums anchor behaviour: a number issued by the government looks like a recommendation, and many people treat it as one.

Underneath all of these sits an unanswerable question. Nobody knows how long they will live or what the later years will cost. According to Australian Institute of Health and Welfare figures for 2020–2022, a man aged 65 can expect, on average, to live about another 20 years and a woman about another 23. Faced with an unknown that large, holding on to everything can feel like the only safe answer.

CONTINUED FROM OPPOSITE

WHAT THE CAREFUL YEARS COST

The trouble with that answer is that retirement is not one long, even stretch. The capacity to use money changes.

Studies of Australian household spending consistently find that retirees spend less as they age, including those who could afford not to. The Australian Institute of Health and Welfare estimates that people aged 65 can expect to live about a quarter of their remaining years with some level of ill health. The long-haul flight, the walking tour, the week looking after grandchildren interstate: for many people these are easiest in the first decade or so of retirement, though the timing varies widely and some stay active well into their eighties. Money that is not spent on them at 70 will still be there at 85, but it may not buy the same things, because the person spending it may no longer be able to do them.

> *Nobody rehearses the opposite skill, and retirement asks for it overnight.*

Underspending is therefore not free. A balance preserved to the end by accident represents years lived more narrowly than they needed to be.

WHEN HOLDING BACK IS THE RIGHT CALL

None of this is an argument for spending more. There are sound reasons to be careful.

A long life is the first. For a couple in their late sixties, the chance that one of them reaches their nineties is considerable, and the money has to last for whoever lives longest. Later-life care is the second, a cost Issues 129 and 133 dealt with in detail. A poor run in investment markets early in retirement does more lasting damage than the same fall later, as Issue 144 explained. Some people also want, quite deliberately, to leave something to their children or to a cause. That is a use of money like any other.

From 20 September 2026 the maximum Age Pension is $1,237.70 a fortnight for a single person and $1,866.00 for a couple combined, subject to the income and assets tests. For those who qualify, it can provide a floor under their income as savings decline, with the amount depending on their circumstances.

The useful distinction is between caution that has a reason and caution that is only a habit. One test is whether you can say what the money is being held for. A sum kept only because spending feels wrong may be buying peace of mind. That has real value, but it helps to know that this is what the money is for, and how much peace of mind actually requires.

WHERE CONFIDENCE COMES FROM

For people like Helen and Ross, being told they can afford something rarely changes anything. What changes it is seeing why.

A few things tend to help, whatever approach a household takes to managing its money. One is knowing what life actually costs now. Another is separating the spending that keeps the household running from the spending that is optional. A third is looking at the plan under pressure: what happens if you both live to 95, if markets fall early, if one of you needs care.

An adviser can put a household's own figures through the hard cases and show what is left. What an adviser can offer is evidence, and for a lifelong saver, evidence is usually what was missing.

Helen and Ross may book the Rockies this year. They may look at their tested numbers and decide a shorter trip suits them better. Any of those is a good outcome. The aim was never to spend more. It is to spend deliberately, whether that turns out to be more, the same or less, and to know which of those you have chosen.

WORTH THINKING ABOUT

Three questions to take to your next review.

- → Is there something we keep postponing that our own figures say we can afford, and what is the real reason we have not done it?
- → How much of what we are holding has a named purpose, such as a long life, care or a bequest, and how much is simply unspent?
- → What would our plan look like if it were tested against a long life and a poor run in markets, and would seeing that change what we feel able to do?

FEATURE II



THE SAME FALL, TWO WAYS.

READING THE NEWS

"Billions *Wiped* Off": How to Read a Money Headline

Financial news is written to be noticed. A short guide to five familiar headlines, what each one really says, and three questions worth asking before any of them spoils your breakfast.

Graham is 66 and reads the news on his phone before he gets out of bed. One morning the top story says that $60 billion has been wiped off Australian shares. He puts the phone down, picks it up again, and opens his super fund's app to see how much of the $60 billion was his.

Graham is illustrative, but his morning is a common one, and nothing he read was untrue. The trouble is that the headline told him almost nothing he could use. It gave him a very large number with no scale, a single day with no context, and a verb chosen for its force.

Financial headlines are built this way for a reason. A study of about 105,000 headline variations on the news site Upworthy, published in *Nature Human Behaviour* in 2023, found that each additional negative word in a headline of average length lifted the rate at which people clicked on it by 2.3 per cent, while positive words reduced it. What helps is recognising the standard forms, because there are only a handful of them.

"BILLIONS WIPED OFF"

The number is an estimate of the fall in the combined value of listed shares. In practice it is roughly the day's percentage fall applied to the size of the market, although individual companies move by different amounts and the index quoted on the news covers the largest 200 companies, not all of them. Australian shares are worth more than $3 trillion in total, so a fall of a little under 2 per cent comes to about $60 billion. The same percentage fall in a market worth $1 trillion would be $20 billion. The headline figure grows as the market grows, which is why the billions sound larger every decade even when the falls do not.

> *A headline that prompts a question at the next review has done something useful.*

A real example shows the arithmetic. On 7 April 2025, as the United States announced sweeping tariffs, the S&P/ASX 200 fell 4.2 per cent, its largest one-day fall in almost five years. Reports put the loss at more than $100 billion. A person with a third of their super in Australian shares saw that portion fall 4.2 per cent, which is about 1.4 per cent of the whole balance.

Two other things are missing from the phrase. The first is what actually fell. No cash was destroyed or taken out of anyone's account. What dropped was the market's valuation of the shares, which prices every one of them at the latest trade although only a small fraction changed hands that day. The fall in value is real for everyone who holds them, and it becomes a realised loss for anyone who sells. The second is symmetry. A rise of 2 per cent adds roughly the same $60 billion, though the language of gains seldom alarms anyone the way the language of losses does.

"RECORD HIGH"

A record sounds like an event. For a share market it is closer to a normal condition, because the companies in it are generally expected to grow with the economy and prices rise with inflation. The ASX counted 20 record closes for the S&P/ASX 200 during 2025.

The headline also describes a narrower measure than most people assume. The index quoted on the news tracks share prices only and leaves out dividends. From its launch in April 2000 to mid-2026, the S&P/ASX 200 returned about 4 per cent a year on prices alone and a little over 8 per cent a year with dividends included.

That gap cuts both ways. After the global financial crisis, the price index took nearly twelve years to pass its November 2007 peak, finally doing so in July 2019. Counting dividends, investors were back to the same point in 2013. A record high is therefore neither a warning that the market is overstretched nor a promise that it will keep rising.

"WORST DAY SINCE…"

This form borrows drama from the date at the end of the sentence. On 8 May 2026 the market had its "worst session since mid-March", a description that reached back all of eight weeks. The fall was 1.5 per cent.

Declines are a regular feature of share markets, not an interruption to them. One long-running count by AMP's chief economist found 15 falls of 10 per cent or more in Australian shares between 1989 and 2015, about one every two years, of which five turned into prolonged bear markets. A reader cannot tell from the headline on the day which kind has begun, and neither can the person who wrote it.

"YOUR SUPER HAS LOST…"

This is the headline people take personally, and it combines the two effects already described. Australians held about $4.8 trillion in superannuation at 30 June 2026, so a movement of 1 per cent across the system is close to $50 billion. Super is also spread across overseas shares, bonds, property, cash and unlisted assets, so a fall on the Australian share market does not pass through to balances one for one.

CONTINUED FROM OPPOSITE

Spread over millions of accounts, a frightening total can be a small change in any one of them.

It also tends to report a moment partway through a longer period. In March 2026, during a sharp sell-off, the research firm Chant West estimated that the median growth fund had fallen 3.8 per cent in the month to 23 March. The same fund category finished the 2025–26 financial year up 9.5 per cent. Over the 34 financial years since compulsory super began, Chant West counts five in which the median growth fund lost money.

> *The headline figure grows as the market grows.*

None of that means falls are harmless. During the global financial crisis growth funds lost about 26 per cent over sixteen months. The effect on an individual depends on how their own money is invested, and on whether they are still contributing or already drawing an income, since withdrawals made after a fall cannot recover with the market. That risk was the subject of Issue 144.

THE CONFIDENT FORECAST

The last form covers every prediction, whether it concerns shares, property or interest rates: "Banks tip three rate cuts", "House prices to fall 10 per cent". Forecasts are reported as news, but they are opinions about the future, and their record deserves to be read alongside them.

The past year offers an illustration. In December 2025 the cash rate stood at 3.60 per cent, and a Reuters poll asked economists where they expected it to be at the end of 2026. Of the 33 who gave a view, 19 expected it to be unchanged at that point, 10 expected it to be lower and four expected it to be higher. The year is not over and the Reserve Bank has one meeting left, so those forecasts cannot yet be marked. By November, though, the Bank had raised rates five times, leaving the cash rate at 4.85 per cent, well above the year-end level most respondents had forecast.

Forecasting is hard for everyone. When Reserve Bank researchers examined two decades of the Bank's own forecasts, they concluded that uncertainty was high and that its forecasts of economic growth had little explanatory power. A forecast is best read as one informed view of what is likely, with a wide margin on either side that the headline has no room to mention.

THREE QUESTIONS

Most money headlines can be tested with the same three questions.

The first is: compared with what? A dollar figure needs a percentage beside it, and a percentage needs to be set against the reader's own mix of investments, which is almost never the same as the index.

The second is: over what period? A day, a month and a financial year can tell opposite stories about the same fund. The period that matters is the one over which the money will actually be used.

The third is: who is saying this, and why? A fall reported by a news desk, a forecast issued by a bank and a warning from someone selling an alternative are three different kinds of statement.

These questions do not tell anyone what to do with their investments, and they are not a reason to ignore the news. Some stories do matter to an individual's plans: a change in the rules, a problem at a particular fund, or a fall that arrives just as a large withdrawal is due. Working out whether a given story is one of those is a good use of a conversation with an adviser, and a headline that prompts a question at the next review has done something useful.

In this illustration Graham has roughly 30 per cent of his super in Australian shares, so his share of the $60 billion was a little over half of one per cent of his balance. He plans to read it with the three questions in mind, and then get up.

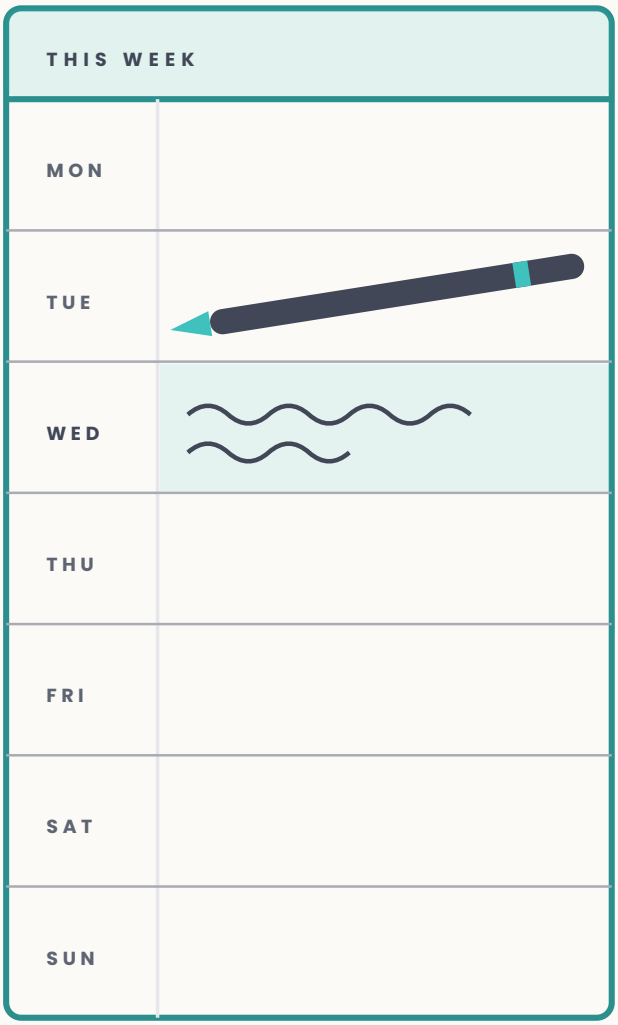
WORTH THINKING ABOUT

Three questions to take to your next review.

- → When a headline last worried us, what did it turn out to mean for our own balance, as a percentage and over the following year?
- → Do we know how our money is actually invested, and how different that is from the index quoted on the news?
- → Which kinds of news would genuinely change our plans, and would we recognise one if we saw it?

FEATURE III





PLANNING AHEAD

The Retirement *Rehearsal*

Most people retire on a guess: about what life will cost, how the days will feel and who they will be without the job. It is possible to test all three before giving anything up.

WEDNESDAY IS TAKEN. NOW THE OTHER SIX.

Lesley is 60 and has worked for the same freight company for nineteen years. She plans to retire at 62, and she has a spreadsheet that says she can. What she does not have is any experience of it. She took three months of her long service leave, stayed home, and lived on the income her super is projected to pay her. Her partner, Tony, kept going to work.

Lesley is illustrative, and the experiment is unusual. The uncertainty behind it is not. The Australian Bureau of Statistics reports that people aged 45 and over intend to retire at 65.6 years on average, yet 40 per cent of those who intend to retire could not say when. It is hard to name a date when you do not know what you are heading into.

A rehearsal is a way of finding out. It cannot answer everything, but it can test the three assumptions that most retirement plans rest on.

THE FIRST TEST: MONEY

The usual way to estimate retirement spending is a rule of thumb or a published benchmark. One rule still quoted by some super funds is that a homeowner needs about two-thirds of their pre-retirement income. Moneysmart, the government's consumer finance site, now points people to a budget planner and to published retirement budgets instead. The best known of those comes from the industry body ASFA: in the June quarter of 2026 its "comfortable" standard for homeowners aged 65 to 84 was $56,166 a year for a single person and $78,998 for a couple. These are useful starting points, and they are averages.

> *She wants some things in the diary before the diary is empty.*

The rehearsal replaces the average with a household's own number. Work out the income the plan is expected to provide, live on that for three months, and put the rest of the pay somewhere out of reach.

The comparison should be made in take-home terms, because income drawn from super after 60 is generally tax-free while salary is not, so a retirement income can be well below a gross wage and still match what currently lands in the bank. Money that now goes to saving also drops out, since nobody retires in order to keep contributing to super.

Some costs fall when work stops: commuting, parking, bought lunches, work clothes. Others rise. A house occupied all day uses more heating and cooling. Free weekdays fill with coffee, outings and projects, all of which cost something. The largest errors usually come from bills that do not arrive every month. Council rates, insurance, car registration, the dentist and a replacement hot water system will not all show up in a three-month window, so the trial needs to count a share of the annual ones.

Lesley found that her guess had been wrong in both directions. She spent less than expected on transport and more on the house. Overall she came in under her projected income with a small margin, which was better than she had feared. What she valued most was the list itself. For the first time she knew what her life cost, line by line.

Passing this test has a limit that needs stating. Three months of spending within a budget shows that the budget fits the household. It does not show that the income behind it will last. That depends on investment returns, inflation, how long retirement runs and what care might cost later, none of which a trial can measure. The rehearsal checks the spending side of a plan, and the other side still has to be tested with an adviser.

The money test also does not require any leave. A person can live on their retirement income while still going to work each day. Where the set-aside money should go during a trial is a separate question, and one worth raising with an adviser.

THE SECOND TEST: TIME

The budget is the part of retirement people worry about. The calendar is the part that tends to surprise them.

The Bureau's Time Use Survey for 2020–21 found that people aged 65 and over had the most recreation and leisure time of any age group, an average of 5 hours and 58 minutes a day. People aged 35 to 44 had 3 hours and 14 minutes. The survey was taken partly under pandemic restrictions, so the gap between the two ages matters more than the exact figures. That is a great deal of unstructured time to fill, every day, without the timetable that work used to supply.

This is where leave makes the rehearsal more realistic, although what it tests is a possible retirement routine, not retirement itself. Lesley's first three weeks felt like a holiday. By the sixth, the things she had been saving for retirement were largely done. Minding her granddaughter on Wednesdays, which she loved, took one day of seven. She noticed the television going on earlier each afternoon.

None of this meant retirement was a mistake. It meant that the activities she had pictured filling a week filled about two days of it, and that the rest would need planning in the same way the money had.

CONTINUED FROM OPPOSITE

THE THIRD TEST: WHO YOU ARE WITHOUT THE JOB

The last test is the least tangible. Work provides more than income. It gives people a role, a reason to be somewhere, and a set of relationships that require no effort to maintain.

Research on this is more reassuring than the popular picture. A Monash University-led study published in 2026 followed more than 7,000 Australians aged 55 to 75 over nearly two decades, asking whether they often felt very lonely. It found no measurable change, on average, in reported loneliness across the three years before and after retirement. Averages conceal individuals, though. Work at the University of Queensland on how people adjust to retirement points to the groups they belong to: those who keep existing memberships, or join new ones, tend to fare better than those whose social world was mostly the workplace.

> *The calendar is the part that tends to surprise them.*

She was not lonely. She did miss being asked what she thought. The messages from colleagues, frequent in the first fortnight, had stopped by the end of the first month. With Tony at work, her days at home were also a preview of her first years of retirement, since she plans to stop before he does. How couples manage different retirement dates was covered in Issue 138.

WHAT A REHEARSAL CANNOT TELL YOU

A trial run is not the real thing, and it has limits worth stating.

Leave ends. Lesley knew throughout that her job was waiting and her salary was still arriving. Three months may also be too short. Early retirement often has a honeymoon quality, and a trial can end before the novelty does. And it cannot test the things that most threaten a plan over decades, such as poor investment markets, illness, or the needs of other family members.

Not everyone can run one in this form. Long service leave is governed mainly by state and territory laws, so entitlements, notice requirements and the arrangements for taking leave vary depending on where a person works. People without it may be able to use a block of annual leave.

A rehearsal assumes that the timing of retirement is a choice, and for many people it is not. Bureau figures show a substantial minority of retirees left their last job because of their own illness or injury, or because they were retrenched, and Australian research has found that involuntary retirement is harder on wellbeing than the voluntary kind. That is an argument for running the test early, while there is still time to use what it shows.

WHAT LESLEY DECIDED

Lesley has kept her date. She will retire at 62, as planned, and the rehearsal has made her more confident about what she spends than her spreadsheet ever did. Whether her savings can support that spending for thirty years is a question she has taken back to her adviser.

What changed is her picture of the week after. She considered asking to work part-time first, an option covered in Issues 137 and 145, and decided it was not for her. She has instead joined a bushcare group that meets on Tuesdays and put her name down for a volunteer role that starts the month she finishes. She wants some things in the diary before the diary is empty.

Another person running the same test might learn that the budget is too tight, or that they are more ready than they thought, or that they would like to go sooner. Each of those is a useful result. The purpose of a rehearsal is to find out which assumption was wrong while it can still be changed, and to bring something better than a guess to the next conversation about when.

WORTH THINKING ABOUT

Three questions to take to your next review.

- → Do we know what our life costs now, line by line, or are we relying on a rule of thumb?
- → If one of us stopped work next month, what would an ordinary Tuesday look like, and the Tuesday after that?
- → Which part of our plan have we tested, and which part are we simply assuming?

Ask a *question.*

Questions advisers are asked, answered in general terms. Your own circumstances will shape how any of this applies to you.

I

My minimum pension payment is going up now that I'm 75. Do I have to spend it?

No. The minimum drawdown rule is about money leaving your pension account, not about spending it. The percentage is set by your age on 1 July each year. For 2026–27 it is 5 per cent of the balance for people aged 65 to 74 on that date and 6 per cent for those aged 75 to 79, so a birthday during the year changes the following year's minimum. **What you do with the payment is up to you.** Anything you do not need can be saved or invested in your own name, although earnings outside super may be taxable and the money still counts under the Age Pension means tests. Putting it back is harder. Funds generally cannot accept voluntary contributions later than 28 days after the end of the month in which you turn 75, apart from downsizer contributions.

II

My super statement shows a different return from the one reported in the news. Why?

The figure in the news is usually a median for one category of fund. When Chant West reported 9.5 per cent for 2025–26, it was describing the middle growth option among the funds it surveys, after investment fees and tax. **Your own return depends on the investment option you are in**, which may hold more or less in shares than that category. A pension account will differ again, because its investment earnings are generally not taxed. The fair comparison is your fund's published return for your option over the same twelve months. The change in your balance is a separate matter. It also reflects contributions, withdrawals, administration fees and insurance premiums, so a balance can fall in a year of positive returns, or rise in a poor one.

III

Is long service leave taxed differently if I take it or have it paid out when I leave?

Yes. Leave you take while still employed is paid and taxed as ordinary salary, spread across your normal pay periods. Unused leave paid out when you leave arrives as a lump sum. For leave accrued after 17 August 1993, a payout on resignation or retirement is generally taxed at your marginal rates. Your employer withholds tax under an ATO formula and the final amount is settled in your tax return, where a large payout can push some income into a higher bracket. **Different rules apply to older service and to genuine redundancy.** Leave earned between 16 August 1978 and 17 August 1993, and leave paid out on a genuine redundancy, is taxed concessionally. Leave earned before 16 August 1978 is treated more generously still. The timing of a payout is worth planning before you set a finishing date.

IV

Can I go back to work after I have retired and started a super pension?

Generally, yes, although the detail depends on how you accessed your super. From age 60, ending an employment arrangement can release the super you had built up to that point, even if you later take another job. If you instead declared that you had retired permanently, what matters is that the intention was genuine when you made the declaration. A later change of mind does not undo it. **In both cases the super you had already accessed stays accessible**, and your pension can continue while you work. Contributions from a new employer go into an accumulation account and are preserved until you meet a condition of release again or turn 65, when super can be accessed without any retirement condition. If you receive the Age Pension, earnings count under the income test, subject to the Work Bonus explained in Issue 141.

V

Is my money safe if my bank fails?

Deposits with Australian banks, building societies and credit unions are covered by the government's Financial Claims Scheme, **up to $250,000 for each account holder at each institution**. The limit applies per banking licence, not per brand. Bankwest, for example, operates under the Commonwealth Bank's licence and St.George under Westpac's, so money held across brands that share a licence is added together. The scheme covers Australian-dollar deposits such as transaction accounts, savings accounts and term deposits. It does not cover shares, managed funds or superannuation, which are protected in other ways. The scheme has to be activated by the Australian Government. That has happened once, in 2009, for a failed general insurer. It has never been needed for a bank.

Reader questions are representative and edited for length. Answers are general information current at November 2026; they do not take your objectives, financial situation or needs into account. Where rules differ between states and territories, check the rules where you live.

Key figures 2026–27.

The numbers referred to in this issue, with the date each applies from. Your adviser can tell you which of them matter to you.

AGE PENSION, FROM 20 SEPTEMBER 2026

Maximum rate, single per fortnight, including supplements	$1,237.70
Maximum rate, couple combined, per fortnight	$1,866.00
Part pension cut-off, homeowner assets, single / couple combined	$745,750 / $1,121,000
Deeming, lower rate to $66,800 single / $110,600 pensioner couple	1.75%
Deeming, upper rate above those thresholds	3.75%
Work Bonus employment income disregarded, per fortnight	$300
Next pension indexation	20 Mar 2027

SUPERANNUATION 2026–27

Minimum pension drawdown age on 1 July: under 65 / 65–74 / 75–79	4 / 5 / 6%
Minimum pension drawdown 80–84 / 85–89 / 90–94 / 95 or over	7 / 9 / 11 / 14%
Concessional contributions cap	$32,500
Non-concessional contributions cap	$130,000
General transfer balance cap	$2.1m
Last voluntary contributions days after the end of the month you turn 75	28
Preservation age anyone born after 30 June 1964	60

RATES AND MARKETS

RBA cash rate from 4 November 2026	4.85%
Next RBA decision	8 Dec 2026
Deposit protection Financial Claims Scheme, per account holder per institution	$250,000
Median growth super fund return for 2025–26, Chant West	9.5%
Negative years, median growth fund financial years since 1992	5 of 34
Total superannuation assets at 30 June 2026, APRA	$4.77tn

RETIREMENT BENCHMARKS

ASFA comfortable budget, single homeowner aged 65–84, June quarter 2026, a year	$56,166
ASFA comfortable budget, couple same basis	$78,998
Average intended retirement age people aged 45 and over, ABS 2024–25	65.6
Average age of people who retired in 2024–25, ABS	63.8
Life expectancy at 65 further years, men / women, 2020–2022	20.2 / 22.8

Sources: Services Australia, Department of Social Services, Australian Taxation Office, Reserve Bank of Australia, Australian Prudential Regulation Authority, Chant West, ASFA, Australian Bureau of Statistics, Australian Institute of Health and Welfare. Figures are current at publication and change; rates and thresholds marked with a date apply from that date.

References, *by article.*

I. PERMISSION TO SPEND

1 Australian Government, The Treasury, *Retirement Income Review: Final Report*, July 2020 (released November 2020), in particular the Cohesion section (section 5), including p. 432 on assets left at death.

2 Asher A, Meyricke R, Thorp S and Wu S, "Age pensioner decumulation: Responses to incentives, uncertainty and family need", *Australian Journal of Management*, vol. 42, no. 4, 2017, pp. 583–607.

3 Wu S, Asher A, Meyricke R and Thorp S, *Age Pensioner Profiles: A Longitudinal Study of Income, Assets and Decumulation*, CEPAR Working Paper 2015/17.

4 Super Members Council, retirement system report, October 2025 (about 64 per cent withdrawing above the minimum in 2024–25), and *Busting a myth: Australians not underspending their super*, January 2026 (about 68 per cent for the same year).

5 Kahneman D and Tversky A, "Prospect Theory: An Analysis of Decision under Risk", *Econometrica*, vol. 47, no. 2, 1979, pp. 263–291.

6 Australian Taxation Office, *Key superannuation rates and thresholds: Payments from super* (minimum annual payments for super income streams), 2026–27; *Superannuation Industry (Supervision) Regulations 1994*, Schedule 7.

7 Australian Institute of Health and Welfare, *Older Australians: Health – status and functioning* (life expectancy at age 65, 2020–2022).

8 Australian Institute of Health and Welfare, *Health of older people*, 2026 (health-adjusted life expectancy at age 65).

9 Grattan Institute, *Money in Retirement: More Than Enough*, November 2018; Grattan Institute, *Simpler Super*, 2025.

10 Department of Social Services, *Social Security Payment Parameters: Indexation rates, 20 September 2026*; Services Australia, *Age Pension: How much you can get*.

II. "BILLIONS WIPED OFF"

1 Robertson C E, Pröllochs N, Schwarzenegger K, Pärnamets P, Van Bavel J J and Feuerriegel S, "Negativity drives online news consumption", *Nature Human Behaviour*, vol. 7, 2023, pp. 812–822.

2 ASX, *ASX capital markets: 2025 year in review and 2026 outlook*, 2026.

3 Australian Associated Press market reports, 7 April 2025 and 8 May 2026.

4 Commonwealth Bank newsroom, "All Ords index tops $3.2 trillion as shares beat record", August 2026.

5 S&P Dow Jones Indices, *ETFs Turn 20 in Australia* (cumulative price and total return of the S&P/ASX 200, 2000 to 2021); Market Index, *S&P/ASX 200* index overview (returns since inception, June 2026).

6 Oliver S, "Australian shares back to their 2007 high…at last!", AMP, July 2019; Oliver S, "Putting recent share market falls in context", AMP Capital, September 2015.

7 Chant West, media releases of 20 July 2026 and 19 August 2026, and March 2026 estimates as reported by Super Review.

8 Reuters poll of economists on the RBA cash rate, 5 December 2025.

9 Reserve Bank of Australia, *Statement by the Monetary Policy Board: Monetary Policy Decision*, 3 November 2026, and cash rate target history.

10 Australian Prudential Regulation Authority, *Quarterly superannuation performance statistics highlights: June 2026*, 31 August 2026.

11 Tulip P and Wallace S, *Estimates of Uncertainty around the RBA's Forecasts*, RBA Research Discussion Paper 2012-07, November 2012.

III. THE RETIREMENT REHEARSAL

1 Australian Bureau of Statistics, *Retirement and Retirement Intentions, Australia, 2024–25*, released 31 October 2025.

2 Moneysmart (ASIC), *How much super you need*, updated October 2026.

3 Association of Superannuation Funds of Australia, *ASFA Retirement Standard*, June quarter 2026.

4 Australian Taxation Office, *Tax on super benefits* (super income streams from age 60).

5 Australian Bureau of Statistics, *How Australians Use Their Time, 2020–21*, released 7 October 2022; Australian Government, *Measuring What Matters* dashboard, "Time for recreation and social interaction".

6 Kunz J S, Trinh T-A, Shields M and colleagues, "The impact of retirement on loneliness: Evidence from Australia", *Scientific Reports*, published 31 July 2026.

7 Haslam C and co-authors, University of Queensland, research on social identity and adjustment to retirement (2018, 2023).

8 Fair Work Ombudsman, *Long service leave*.

9 Australian Bureau of Statistics, *Retirement and Retirement Intentions, Australia, 2020–21* (reasons for leaving last job).

10 Atalay K and Barrett G, "Retirement routes and the well-being of retirees", 2022 (HILDA Survey).

IV. ASK A QUESTION

1 Australian Taxation Office, *Payments from super* (minimum annual payments for super income streams), 2026–27.

2 Australian Taxation Office, *Restrictions on voluntary contributions*.

3 Chant West, media release, 20 July 2026.

4 Australian Taxation Office, *Schedule 7: Tax table for unused leave payments on termination of employment*, from 1 July 2026.

5 Australian Taxation Office, *Conditions of release*; SuperGuide, *Accessing super when you retire* and *Can I return to work after I access my super?*; Aware Super, *Returning to work after retirement*.

6 Services Australia, *Work Bonus*.

7 Australian Prudential Regulation Authority, *The Financial Claims Scheme: Protecting depositors and policyholders*; *Types of banking institutions covered under the Financial Claims Scheme*; *Different banking businesses under one banking licence*.

IMPORTANT INFORMATION

Wealth Adviser is published by Wealth Adviser Investment Solutions Pty Ltd (AFSL 548813) and distributed through the WT Financial Group network. The content is general information only and does not take account of your objectives, financial situation or needs. Consider whether it is appropriate for you and speak with your adviser before acting. Figures, rates and thresholds are current at the date of publication and may change. Past performance is not a reliable indicator of future performance. People and households described in this issue are illustrative composites.



Wealth Adviser

ISSUE 150 · NOVEMBER 2026

Wealth Adviser is prepared for the clients of financial advisers within the WT Financial Group network and distributed by your advice practice.