

**7 PAGE SPECIAL:
COST OF LIVING CRISIS**

INCLUDING:

HOW TO DO A BUDGET



URGENT HELP WITH MONEY



SIMPLE WAYS TO SAVE MONEY



**FINANCIAL PROGRAMS TO
HELP PEOPLE ON LOW
INCOMES**

**MILLENNIALS AND
MONEY: WHAT DOES
THE FUTURE HOLD?**

**WHEN IS THE RIGHT
TIME TO DOWNSIZE?**

**5 WAYS TO SET YOUR
KIDS UP FOR
FINANCIAL SUCCESS**

PLUS!

**NEW RECIPES ◆ NEW BOOK CLUB SELECTION
NEW SUDOKU ◆ NEW WORD SEARCH ◆ NEW TRIVIA**

WELCOME

Welcome to the Spring 2022 edition of *The Quarterly Adviser*.

As we finally say adios to winter and head into the glorious days of spring, the world around us remains in a state of flux thanks to covid, inflation and ongoing cost of living pressures. In this edition of *The Quarterly Adviser*, we present a special seven page feature on the cost of living crisis currently troubling the world. Across the seven pages we hope to help you whether it be practical ways to manage your living expenses, helping you plan a budget or pointing you in the right direction for help if you find yourself in a dire financial situation.

The birth of spring also means the Royal Adelaide Show is upon us for the first time since covid brought everything to a screeching halt in 2020. If you're heading to The Show, we hope you have a wonderful time.

As we race towards the end of the year, we also face our busiest period of in-office birthdays with Marcus, Aaron, Darren and Manuela all celebrating. We wish them all Happy Birthday and wish you a Happy Birthday too if you are a spring baby.

Finally, if you are worried about the current situation with the markets, are finding yourself facing a troubling financial situation or just want to talk to Werner or Manuela about the current state of play with the world financially, you can always contact the office for a chat. We are always here for you and always will be.

Happy reading!

The Team at Watzdorf Financial Planning

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CALENDAR OF EVENTS



3-11 SEPTEMBER
ROYAL ADELAIDE SHOW



19 SEPTEMBER
MARCUS' BIRTHDAY



3 OCTOBER
LABOUR DAY PUBLIC HOLIDAY



8 OCTOBER
AARON'S BIRTHDAY



23 OCTOBER
DARREN'S BIRTHDAY



19 NOVEMBER
MANUELA'S BIRTHDAY



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7 PAGE SPECIAL: COST OF LIVING CRISIS

As people around the world grapple with rising inflation, increasing interest rates and an escalating cost of living, we share with you seven pages of articles to hopefully help you managed the cost of living crisis. From budgeting to reducing your debt and where to get urgent help, we hope these articles will help in some small way.

HOW TO DO A BUDGET

Easy steps to plan and manage how you spend your money

Having a budget helps you see where your money is going. You can put aside money for bills and expenses and set up a plan to reach your financial goals.

Follow these steps to get started. Use how often you get paid as the timeframe for your budget. For example, if you get paid weekly, set up a weekly budget.

1. Record your income

Record how much money is coming in and when. If you don't have a regular amount of income, work out an average amount.

Make a list of all the money coming in, including:

- how much
- where from
- how often (weekly, fortnightly, monthly or yearly)

This money could be from your wages, pension, government benefit or payment, or income from investments.

2. Add up your expenses

Regular expenses are your 'needs' - the essential items you need to pay for to live. These include:

Fixed expenses, for example:

- rent or mortgage payments
- electricity, gas and phone bills
- council rates

- household expenses, like food and groceries
- medical costs and insurance
- transport costs, like car registration or public transport
- family costs, like baby products, child care, school fees and sporting activities

Debt expenses, for example:

- personal loan repayments
- credit card payments
- mortgage repayments

Unexpected expenses, for example:

- car repairs and services
- medical bills
- extra school costs
- pet costs

To make sure you've recorded all your expenses, look at your bills or bank statements. Include what the expense is for, how much and when you pay it.

3. Set your spending limit

The money you have left after expenses is your spending and saving money.

Your spending money is for 'wants', such as entertainment, eating out and hobbies.

Make a plan for what you want to do with your spending money. This will help you to see where it goes and keep within your spending limit.

4. Set your savings goal

If you have a savings goal you can use your budget to work towards it.

Once you know how much money you have for 'wants', you can work out how much of it you'd like to save.

Having some savings can create a safety net for unexpected expenses. Even a small amount set aside regularly will make a difference.

5. Adjust your budget

Your budget needs to work for you and your lifestyle so it's important to adjust your budget as things change.

For example, if your expenses start to increase you may need to reduce your spending, or change your savings goal. Or you might be able to save more if you get a pay rise or you pay off some debt.

6. Make budgeting easier

To help make budgeting easier, consider having separate bank accounts. You could have:

- a transaction account for bills and expenses
- a transaction account for spending
- a higher interest savings account

You can then automate your budget by setting up a regular transfer to your savings account on pay day. You can also set up direct debits when your bills are due.

moneysmart.gov.au/budgeting/how-to-do-a-budget

7 PAGE SPECIAL: COST OF LIVING CRISIS



HOW TO GET OUT OF DEBT

Many of us have debts and bills to manage, but what happens when you're really struggling to pay? Find out what to do when you fall behind with bill or loan repayments and what to expect if you don't

In Australia, we're pretty big on borrowing money. According to figures published by Finder, Australia takes the number four spot in the top five countries with the highest levels of household debt. So if you're in debt, you're certainly not alone in owing money. As long as you've got money coming in to meet all your financial commitments, including loan repayments, being in debt doesn't have to be a problem.

But falling behind on those payments, or finding yourself juggling too much debt along with bills and rent, can lead to serious short and long-term financial stress. In this guide to getting out of debt you'll learn about the steps you can take straight away to deal with debt problems. You'll also find out what to expect if your debts or bills remain unpaid.

What to do if you can't pay

The most important thing when it comes to getting on top of debts is to act quickly. Take one or more of the following steps as soon as you become aware that you're struggling to keep up with payments. This gives you more time to understand your options and make the right decision without putting yourself under extra pressure.

- **Speak to your credit provider:** contact your loan, credit card provider or utility company as soon as you can. Even if you've already missed a payment, there's a good chance you can speak to someone about coming up with a new instalment plan you can afford.
- **Apply for a hardship variation:** if you're unable to keep up with payments because of unemployment, ill health or changes in your financial circumstances, you could be eligible for a hardship variation. You can phone your provider to begin this process, but may need to make an application in writing. The Financial Rights Legal Centre offers sample letters you can use for a hardship variation and for other situations like dealing with debt collectors.
- **Speak with a financial counsellor:** when your finances get out of control, dealing with debts and unpaid bills can be scary and isolating. If you're confused about what to do, speaking to a financial counsellor could be the best course of action. You can hear more about your options and find out about your rights and responsibilities when it comes to dealing with debt collectors and any legal action against you as a result of your

debts.

Moneysmart (moneysmart.gov.au) offers more detailed information and advice on these different ways to get help with debts.

Accessing super to pay debts

It's generally the case that you can't withdraw any of your super until you reach your preservation age. However, there are two ways you may be able to gain early access to your super to pay off debts. The first is access on compassionate grounds, which includes 'making a payment on a loan or council rates so you don't lose your home' as a legitimate reason for early access to a lump sum from your super.

You may also be able to withdraw super early on the grounds of severe financial hardship. The Department of Human Services website provides guidance on what is considered to be financial hardship. You'll need to apply to your super fund to make any arrangement for early withdrawal on these grounds. It's well worth speaking to a financial counsellor before making a decision to apply for early access to super as this could impact your future financial security in retirement.

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What can happen if you don't pay

- **Credit history:** unpaid debts or bills that have been outstanding for more than 60 days will be included on your credit history for five years, even after the debt or bill has been paid. When your provider is unable to contact you to request payment, this stays on your credit history for seven years. This will lower your credit score, which can impact your future ability to borrow money.
- **Repossession:** when a loan is secured on an asset, such as your car or home, and you miss a repayment, a lender may take action to repossess that asset. Once you've missed a payment, a lender must issue you a default notice and then give you 30 days following the date of issue to pay the overdue amount before taking steps to repossess the asset.
- **Debt recovery:** if you do not make

an instalment plan for overdue debt or bill payments, or take any other steps to repay money you owe, your provider may arrange for a debt collection service to recover the debt. Debt collectors are required by law to operate within strict guidelines in how they can contact you. If you are experiencing threatening or intimidating behaviour from a debt collector, you can make a complaint to the Australian Financial Complaints Authority (AFCA) or your credit or service provider.

What to do about debt recovery

Unless you dispute a debt – and you can do this if you believe you don't owe the money you're asked to repay – it's important to communicate clearly and honestly during all stages of a debt recovery process. If you don't, it's possible your credit provider will seek judgement from a court to issue

a garnishee order to recover the debt directly from your bank accounts or your salary payments. The ATO can also take this action to claim unpaid taxes without seeking judgement from a court.

How long can debts last?

Unpaid debts can stay on your credit history for up to seven years, even once they've been paid in full. In most cases, debts are considered 'statute-barred' if no payment has been made on the debt within the last six years and there has been no court judgement regarding the debt. So if you have an 'old' debt and receive a request for payment, seek legal advice before agreeing you owe the debt or making any payment.

By Money & Life
www.moneyandlife.com.au/debt/managing-debt/how-to-get-out-of-debt/

MANAGE THE COST OF LIVING

Practical steps to help you manage living costs and keep on top of bills

Having a plan will help you feel more prepared if your living expenses increase. There's also support and services available if you're feeling overwhelmed.

If you're in crisis and struggling to buy food or pay for essentials, see Urgent Help With Money on page 6.

Make a plan

No matter what stage you're at, it's always a good idea to make a plan for your money. You can:

- Do a budget to help you feel more in control of where your money is going. A budget will also help you prioritise what matters most and identify any expenses that you can cut or reduce.
- Look at other ways to reduce your living costs.
- Talk to your lender if you're concerned about your mortgage

repayments.

Get help if you need it

If you need help to get your finances back on track, talk to a financial counsellor. They can help you prioritise your bills and repayments. The sooner you get help, the more options you'll have.

Call the National Debt Helpline (ndh.org.au) on 1800 007 007. The helpline is open Monday to Friday, 9:30am to 4:30pm. This is a free and confidential service.

Aboriginal and Torres Strait Islander people can call Mob Strong Debt Helpline (financialrights.org.au/mob-strong-debt-help) on 1800 808 488. The helpline is open Monday to Friday, 9.30am to 4.30pm.

Emotional support

Experiencing financial stress can impact your mental health.

If you're concerned about your mental wellbeing, help is available.

Contact Beyond Blue (beyondblue.org.au) on 1300 22 46 36 (24 hours a day). Or use Beyond Blue's web chat (beyondblue.org.au/get-support/talk-to-a-counsellor#/chat/start) (3pm to 12am).

moneysmart.gov.au/manage-the-cost-of-living

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URGENT HELP WITH MONEY

Where to get help if you're in crisis or struggling to make ends meet

If you're feeling overwhelmed by money or personal issues, it can be hard to know where to turn. You don't have to go it alone.

In an emergency, there are services to help you with food, housing and bills, as well as emotional support.

If you don't know where to start, call the free National Debt Helpline (ndh.org.au) on 1800 007 007. The helpline is open Monday to Friday, 9:30am to 4:30pm.

Aboriginal and Torres Strait Islander peoples can call the free Mob Strong Debt Helpline (financialrights.org.au/mob-strong-debt-help) on 1800 808 488. The helpline is open Monday to Friday, 9:30am to 4:30pm.

Food and bills

Charities and community organisations have emergency relief services to help you with things like:

- food vouchers or food parcels
- transport vouchers
- chemist vouchers
- clothing or furniture
- part-payment of utility bills
- help with back-to-school costs

Contact your nearest:

Salvation Army
www.salvationarmy.org.au
 13 72 58

St Vincent de Paul Society
www.vinnies.org.au
 13 18 12

Local community centre, church or community organisation

For a full list of emergency relief services, see the Department of Social Service Grant Services Directory (<https://bit.ly/3KufOH4>).

Centrelink

Centrelink provides a payment to people eligible for income support. Call 132 850, 8am to 5pm, Monday to Friday.

Crisis payment

You may be able to get a payment if you're in severe financial hardship following extreme circumstances. After a natural disaster, for example. The Services Australia website has more information about crisis payments (www.servicesaustralia.gov.au/crisis-and-special-help).

Advance payment

If you already get a Centrelink payment, you may be able to get an advance payment (www.servicesaustralia.gov.au/advance-payment). This is money you would be getting from your existing payment but it's paid early. It's not an extra payment.

Housing

If you're homeless or in a housing crisis, your state or territory government can help.

They provide emergency temporary accommodation in places like low-cost hotels, motels and caravan parks. They may also be able to help with a rental bond.

Contact your state or territory housing department below to see if you're eligible.

Emotional support

If you're going through a personal crisis, help is available. Contact one of the free and confidential services below.

moneysmart.gov.au/managing-debt/urgent-help-with-money

Crisis support	Lifeline www.lifeline.org.au 13 11 14 24 hours Lifeline's crisis support online chat www.lifeline.org.au/crisis-chat	Alcohol or other drug use	Family Drug Support Australia www.fds.org.au 1300 368 186 24 hours
Depression or anxiety	Beyond Blue www.beyondblue.org.au 1300 22 46 36 24 hours Beyond Blue's web chat (3pm to 12am) https://bit.ly/3PYOq5h	Gambling	Gambling Help Online www.gamblinghelponline.org.au National Gambling Helpline 1800 858 858 24 hours
Sexual assault, domestic or family violence counselling	1800RESPECT www.1800respect.org.au 1800 737 732 24 hours	GOVERNMENT HOUSING DETAILS ►	

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Australian Capital Territory	Housing and Community Services ACT OneLink www.onelink.org.au 1800 176 468 8am to 6pm, Monday to Friday 12:15pm to 3:30pm, Saturday and Sunday	South Australia	Homelessness Gateway https://bit.ly/3R5GRen 1800 003 308 24 hours
New South Wales	Family and Community Services Link2home www.facs.nsw.gov.au/housing 1800 152 152 24 hours	Tasmania	Housing Tasmania Housing Connect https://bit.ly/3AzhsCT 1800 800 588 24 hours
Northern Territory	ShelterMe www.shelterme.org.au	Victoria	HousingVic www.housing.vic.gov.au/crisis-emergency-accommodation 1800 825 955 9am to 5pm, Monday to Friday 24 hours on weekends and public holidays
Queensland	Homeless Hotline https://bit.ly/3KuCFIM 1800 474 753 24 hours	Western Australia	Entrypoint Perth hwww.entripointperth.com.au 1800 124 684 (includes regional WA) 9am to 7pm, Monday to Friday 9am to 5pm, Saturday Closed public holidays

Source: moneysmart.gov.au/managing-debt/urgent-help-with-money

PRACTICAL WAYS TO MANAGE COSTS

Get the most out of your money by knowing what practical ways to manage your costs.

Automate your regular bill payments

Set up automatic direct debits for regular bills to take a little each pay day, if you can. Or set up a bank transfer for a small amount into a separate account for 'bills', and get your direct debits to come out of this account.

Pay large bills in smaller instalments

Contact your utility and other providers to ask them about paying bills in smaller amounts more often. You may be able to pay fortnightly or monthly, to avoid the shock of a large bill. This can be useful to manage large bills, such as car registration and insurance.

If you get a Centrelink payment from Services Australia, you can use their free Centrepay service to do this. This can help with regular bills, such as rent.

Track your spending

To see how much money is going out, track what you spend over one or two weeks. Include every transaction, no matter how small. See track your spending for easy ways to do this.

Look for ways to reduce spending

Look at your expenses and think about your needs and wants. You may be able to find some things you could cut back on, at least for a while. See simple ways to save money for ideas.

Set a budget

Having a budget helps you to feel more in control of your money. You can put aside money for big bills when they arrive, and plan savings to achieve your money goals.

<https://moneysmart.gov.au/budgeting/managing-on-a-low-income>



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SIMPLE WAYS TO SAVE MONEY

Make a big difference with small changes

Find out how to save money every day and make a savings plan to stay on track. After a year, James will save more than \$200.

Separate and automate your savings

An online savings account is a great way to grow your money faster. Unlike a transaction account, you can't spend money directly from a savings account, so it's harder to dip into your savings.

Automate your savings

Transfer part of your pay into your savings account. You can ask your employer to do this for you or you can set up a direct debit. This way, you're saving without even having to think about it.

Round-up transactions

Some savings accounts or apps let you round-up your daily transactions to the nearest \$1 or \$5. The change then goes directly into your savings account. For example, James buys a coffee before work each morning:

- The coffee costs \$4.20.
- His account is debited \$5.
- 80 cents goes straight into his online savings account.

Look for ways to reduce spending

Look at your expenses to see where you can make changes or get a better deal. It may surprise you how little things add up.

Find quick wins

Look through your bank or credit card statements for the last two months. Identify anything that isn't essential. This could be things like subscriptions or memberships.

Reduce your grocery bills

To reduce your grocery bills:

- **Plan ahead:** plan meals weekly (including lunches and snacks). Stick to your shopping list, so you only buy what you need.
- **Buy on special:** look for cheaper home or own brands. Buy frozen vegetables as they're nutritious and may cost less than fresh.
- **Go seasonal:** save by buying fruit and vegetables in season, shop at your local fresh markets or grocers.
- **Eat less meat:** meat can be expensive so try to buy when

marked down at end of day. Plan some meat-free meals.

- **Buy in bulk:** buy staples (like rice, oats, flour) when marked down. Or buy bulk amounts with your neighbours or friends.
- **Grow it yourself:** get your family involved in making a herb or vegetable garden together.

Reduce your electricity bills

To reduce your electricity consumption and your bill:

- **Heating and cooling:** only heat or cool the room you're using rather than the whole house. Open or close the blinds to help control the temperature inside. Block draughts to avoid leaking heat (for example, put a door snake at the bottom of a door).
- **Laundry:** run your washing machine with a full load and use cold water in your machine when possible.
- **Appliances:** use energy-efficient appliances or lights if you can. Try to use appliances outside peak times when tariffs are lower (check your bill to find when it's cheaper). Adjust temperature settings on air conditioners to the most efficient level.

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- **Turn off when not in use:** turn off your 'vampire appliances' at the wall so they don't use energy when not in use. These include gaming consoles, any appliance with a 'standby mode', and phones that are at 100% charge.

Swap to cheaper alternatives

- **Gym memberships:** look for no-cost classes or running groups in your local area. Or try free online workout videos or fitness challenges.
- **Streaming services:** look for free streaming channels or apps.
- **Food delivery services:** delete the app and try recreating a take-out meal yourself at a lower cost.
- **Eating out:** instead of eating at a restaurant, have a picnic or BBQ at the beach, park or someone's house.
- **Holidays:** consider holidays with no air travel, like camping or day trips from home.
- **Transport:** look at car-pooling, or ride your bike instead of taking public transport.

Shop around for better deals

- **Electricity:** compare energy suppliers to make sure you're getting the best deal. Use the Government's Energy Made Easy website (www.energymadeeasy.gov.au). Or Victorian Energy Compare (compare.energy.vic.gov.au), if you're in Victoria.

- **Insurance:** when it's time to renew your insurance, compare premiums with other providers. You could get a discount if your policies are grouped together. Or you may be offered an incentive to stay with your current insurer.

- **Internet and phone:** review your monthly usage over a 12-month period and look for a plan that suits your needs. You could be paying for more than you use, so there may be cheaper options. Or your provider could offer you an incentive to stay, which may be a better deal.

Have a savings plan

The secret to saving is to start early and save often. Create a savings plan so you can manage your money and

stick to your goal.

Know where your money is going

Have a clear picture of your regular expenses and spending habits. This helps you see where you can cut back and save.

Start a budget

Once you know how you're spending your money, you can set a realistic budget. Your budget will help you to stay on track, review your progress and reach your money goals sooner.

Set a savings goal

Setting a savings goal helps you stay focused. It doesn't matter how big or small your goal is, work out how much money you need and make a start.

Pay off some debt

If you can, make extra repayments towards any credit card debt or loans you have. Paying off your debts sooner can save you thousands in interest.

moneysmart.gov.au/saving/simple-ways-to-save-money

FINANCIAL PROGRAMS TO HELP PEOPLE ON LOW INCOMES

Some providers help to give people on low incomes a boost with their finances. Check their websites to see if you're eligible.

Savings plans

Saver Plus helps people on low incomes to save and to improve their financial skills.

You set a savings goal, and when you reach it, the amount is matched (up to \$500).

Learn more about Saver Plus, by the

Brotherhood of St Laurence at <https://www.bsl.org.au/services/saving-and-managing-money/saver-plus>

Loans for essentials

The No Interest Loan Scheme (NILS) offers affordable credit for families on a low income. Loans are available for essential goods and services such as fridges, washing machines, car repairs and medical procedures for up to \$1,500.

Learn more about the No Interest Loan Scheme at <https://goodshep.org.au/services/nils>

Cheaper insurance

The Good Insurance program offers cheaper car and home insurance for people on low incomes.

Learn more about the Good Insurance program at <https://goodshep.org.au/services/insurance>

moneysmart.gov.au/budgeting/managing-on-a-low-income



MILLENNIALS AND MONEY: WHAT DOES THE FUTURE HOLD?

With the rising cost of housing, an aging population, climate change and now a pandemic falling squarely on the shoulders of Australia's millennials, how is this generation faring financially?

The first millennials (born between 1981 and 1996) are now turning, or approaching, 40. Still, despite more than twenty years in the workforce, it seems their financial wellbeing isn't guaranteed. While older households have done well from rising house prices and superannuation, research by the Grattan Institute shows that the wealth of millennial households has barely moved since 2004.

A Commonwealth Bank study has found that almost two thirds (61 per cent) of millennials (also known as 'Gen Y') don't have a regular savings plan, while 1 in 10 are still living pay cheque to pay cheque. A third (31 per cent) say they don't feel comfortable talking about money.

Yet, millennials haven't let go of the great Australian dream. More than half (58 per cent) are holding out hope they'll be able to buy a house in the next five years. Currently only 28 per cent of millennials own their own home, according to the study.

Structural challenges

After a decade of slow economic growth, little to no wage growth and spiralling housing costs in our major cities, it seems millennials are feeling the pinch.

"Poorer young Australians have less wealth than their predecessors and are far less likely to own a home," the study's authors say. "In contrast, older households' wealth has grown by more than 50 per cent over the same period because of the housing boom and growth in superannuation assets."

Contrary to popular belief, the report's authors say there's no evidence that millennial spending habits are to blame for stagnating wealth.

"In fact, younger people are spending less on non-essential items such as alcohol, clothing and personal care, and more on necessities such as housing, than three decades ago."

No issue with soy lattes and avocado brunches then it seems.

A COVID-19 legacy?

Adding to the financial worries, more than a third of millennials (37 per cent) say they've been affected financially by the COVID-19 pandemic, the highest of any generation.

And, while the pandemic has further stifled wage growth, it's also forcing many to 'shelter in place', choosing job certainty over career advancement. It's unclear what the longer term impact of this will be, but redundancies and lack of career progression in some industries is likely to shape our workforce for years to come.

Resilience in the face of hardship

Despite the cards being (economically) stacked against them, it seems Gen Y are a resilient bunch. There's evidence to suggest they're more financially savvy than previous generations.

A study by Afterpay found that more than 80 per cent of millennials budget, compared with only two-thirds of older generations. They're also 30 per cent more likely to save regularly than

their parents.

UBank agrees, saying that Aussie millennials take an active interest in managing their own finances, and are the most likely to budget.

“Despite 45% of the population admitting their finances have been negatively impacted by COVID-19, we’re seeing millennials emerge as being quite resilient,” said UBank executive, Philippa Watson.

“They’re taking the opportunity to implement budgeting and saving strategies to keep their financial goals, such as buying a home, on track, with many putting away half their salary each month,” Watson said.

A transfer of wealth

While the wealth of millennials pales in comparison to older generations, that could be about to change. According to the experts, Australia is on the verge of its largest ever handover of wealth, with

up to \$3.5 trillion in assets set to pass from baby boomers to millennials over the next 20 years.

Boomers are said to be the wealthiest generation in history, having lived through some of the most prosperous years on record. How much of that wealth they’ll pass down to their heirs is anyone’s guess though. Boomers will spend close to thirty years in retirement on average, so they’re just as likely to spend their ‘hard earned cash’ rather than gifting it to their heirs.

Financial wellbeing top of mind

With the millennial generation now hitting their thirties and forties, major life events like home ownership, marriage, children and saving for retirement are taking centre stage. Good money management and financial planning are becoming increasingly important, especially given the structural, economic and environmental challenges they face.

It’s a positive sign then that 1 in 2

millennials say they want to have more open discussions about money, with more than half of those (54 per cent) keen to know how to get ahead financially, according to the Commonwealth Bank research.

For a generation that came of age during the global financial crisis, a global pandemic just over a decade later might feel doubly unfair. But it seems millennials are nothing if not adaptable, and resilient. Getting the right financial planning advice now will help millennials navigate the challenges that come with this stage of life and ensure their financial wellbeing far into the future.

By Money & Life
www.moneyandlife.com.au/family-and-life-events/millennials-and-money-what-does-the-future-hold/

THE WATZDORF BOOK CLUB

INVISIBLE WOMEN

by Caroline Criado Perez

★★★★☆

A REVIEW BY MANUELA WATZDORF

Invisible Women by Caroline Criado Perez was recommended to me by one of our clients.

I have found this book a fascinating read, it exposes data bias in a world designed by men. Data that is used to decide government policy, influences areas ranging from medical research outcomes to what clothes women in emergency services wear. Data that is designed for men and ignores the needs of 50% of the population.

My view of the world has changed reading this book, it made me realise how engrained data bias impacts women in negative and deadly ways.

Female crash test dummies that were introduced only recently are placed purely in passenger seats, uniforms for emergency personnel that are dangerous and make women sick, medications tested without considering the female body, town and infrastructure planning and public transport without consideration to the daily tasks that women do to support family and community – this is only a small sample of areas covered in the book.

Perez also draws attention to how rarely the caring work that women do is considered in public policy, when there are cuts to public funding or social services it is women that generally take up the slack.

While at times confronting, I found this book definitely worth the read.

Out now in hardback, paperback, audio and eBook



5 WAYS TO SET YOUR KIDS UP FOR FINANCIAL SUCCESS

As we move towards a cashless society, how do we teach children that money comes from hard work and good financial management and not some magic money pot in the sky?

“In a world of credit cards and online banking, actual physical money is becoming an alien concept for today’s young. From their perspective, a quick tap of the plastic is all it takes to buy a week’s groceries and even lunch orders appear without any money changing hands.”

The good news is there’s plenty parents can do to counter this new reality. Here, we’ve pulled together five age-appropriate tips for introducing money management skills to kids from their toddler years to their teens.

1. Talk to your toddler

You can, and should, start talking to your kids about money from an early age. The ATM is a great place to do this. Little people love to push buttons and letting them ‘help’ provides you with the opportunity to explain where this money comes from. Trips to the supermarket are also a good time to communicate a few basics.

2. Putting your pre-schooler to work

This is the perfect age to start teaching

children about the value of work in exchange for income. Perhaps they empty the cutlery tray from the dishwasher and in return they get a couple of dollars each week. You can let them decide what to spend it on but at the same time subtly introduce the concept of needs versus wants. Do they really want to spend their hard-earned pennies on a lollipop? Chances are the answer is ‘yes’ but at least you’re encouraging them to consider how much they want something before parting with their cash. And they’ll soon learn that once that money is gone, it’s gone for good.

3. Pocket money for the primary years

Pocket money is a great tool for helping school age children better understand the notion of saving. Just make sure you give them a realistic goal to work towards – perhaps a toy or game they really want. Left to our own devices most of us veer towards instant gratification, so it’s important your child has something to motivate them to save. In this way, they’ll not only learn that they need to be patient, but will appreciate that in the end delayed pay offs can be pretty satisfying.

4. Financial planning for tweens

As kids start to get a bit older you can involve them in discussions about your household finances and explain the

difference between essential purchases and family treats. To put their newfound knowledge into practice it’s a good idea to give them an actual budget to work with, perhaps for a birthday party. This will allow them the opportunity to make financial decisions such as do they make or buy the invitations and what this leaves them to spend on cake.

5. Bringing up savvy teens

You can help to set your teenagers up as smart consumers by educating them about the benefits of comparative shopping. These days 89 per cent of 14-17 year olds own a mobile phone, so why not use their first phone purchase as a valuable learning opportunity? Set them the task of shopping around and see what they come up with. If they have to pay at least a portion of the bill from their own earnings, that should motivate them to research the market thoroughly. In this way, you’ll be teaching them how to take control of their money, which is an invaluable step towards financial independence.

By taking advantage of these opportunities, you can make today’s invisible money that much more tangible for your children and help to establish the money habits that will set them up for life.

www.moneyandlife.com.au/financial-advice-planning/5-ways-to-set-your-kids-up-for-financial-success/

WHEN IS THE RIGHT TIME TO DOWNSIZE?

Downsizing from a larger family home to somewhere smaller can be an obvious choice when retirement is on the cards. For others it's a necessity and something they do reluctantly. So when it comes to timing your decision, what's the right approach to getting the best outcome for you and your finances? We talked to Certified Financial Planner® professional Anne Graham about what you need to consider when looking at your options.

What are some of the triggers for people to think about downsizing?

There are basically three life events that can act as a catalyst for downsizing. When you get ready to retire, you're looking at your finances and lifestyle, including your home and where you want to be living. If your partner were to die, you'd also be likely to consider whether the home you're in is right for you. And if you start to have health or mobility issues later on, selling and moving into a retirement village or aged care is often the next step.

Are there any advantages to downsizing sooner?

From a practical perspective, it can be better to wait until after you retire to take on the task of selling your home and finding a new one. You'll have more time and energy to look around and make a really considered decision about where you want to move to and what kind of home you'll need. On the other hand, you might be better off tackling the process of selling up and moving when you're younger, more resilient and can make the change because you want to, rather than having it forced upon you. Being excited and positive about moving and making a new start can make it a lot easier to take on tasks like sorting through possessions and packing boxes.

How can your financial position influence when you should downsize?

It depends on a number of things but two of the most important factors are

whether you own your home outright and how much you already have in your super. If you're expecting to boost super from the sale of your home, it's worth planning ahead for this. Under current legislation, you can continue to contribute to your super until you're 75, but after age 65 you'll need to satisfy a work test to show you're in gainful employment for 40+ hours in 30 days to claim your contributions. So it's generally much more tax effective to sell before you reach this age and make lump sum payments into your super over time, because there are annual caps on how much you contribute each year too. If you're in a couple and one of you is younger, then you'll have a larger window of opportunity to pay proceeds of sale into your super accumulation fund.

Owing money on your property after you retire isn't ideal and having that ongoing financial burden can put you in a vulnerable position. With lower interest rates it's not so urgent, but you're facing a big risk if you hang onto your home and rates start to rise or the market changes. You might anticipate selling for a certain amount and then not get the price you want which will affect the capital and income you can expect to draw on in retirement. And if interest rates go up, you'll have higher mortgage repayments and that can limit your cash flow.

If you're looking at ways to finance aged care, is selling your home the best option?

If you're single and moving into an aged care facility, you're going to need funds for your lump sum RAD (Refundable Accommodation Bond) or the equivalent periodic DAP (Daily Accommodation Payment.) For many, selling their home can be the only way to finance these payments. And your home is included in your assets test and can affect government contributions towards your aged care costs. You might consider renting the home out to pay for aged care, particularly if you want to keep it as part of your estate for family to inherit. But in a lot of cases, it's family members who take responsibility for managing

and maintaining the property and this can put unwanted pressure on their time when they're busy with work and family life.

With couples where one needs aged care and the other doesn't, their home is exempt from the asset test if the spouse continues to live there. But even in these cases, it's a good idea to think through all the options. When one of my clients was making arrangements for her husband to move into an aged care facility, she decided to downsize to save her from having the burden of the house to look after. And although the proceeds from the sale will affect her pension entitlement and aged care subsidy under the assets test, the money she and her husband have left over will act as a savings buffer, giving them peace of mind and a sense of security.

How can a financial planner help you make the right decision about when to sell?

When your home is your chief asset and you need to sell to fund your retirement, a planner can bring an impartial perspective to the process and help you look at the numbers. Let's say you have a large home in the outer suburbs and you plan to downsize to a two-bedroom unit closer to the city. You need to look at the real value of your home, the price you can expect to pay for your new property and how much it's actually going to cost you to buy and sell. Sometimes you'll do the sums and discover you won't actually come out with much left over. It can help to have someone guide you on what you can afford, so you can avoid making a costly mistake and ensure you have a lump sum that's enough to generate a comfortable income for the rest of your retirement years.

By Money & Life
www.moneyandlife.com.au/individuals/work-and-retirement/right-time-downsize/

THE QUARTERLY PUZZLER

SUDOKU

To complete the puzzle below, fill in all squares in the grid so that each row, each column and each 3x3 box contains all numbers from 1 to 9 inclusive

		6	5					8
	9	5					2	
7			9			3		
				4		2	7	
			8	7	3			
	7	9		5				
		2			8			9
	5					8	1	
3					5	4		

TRIVIA

- Which country boasts the greatest number of pyramids?
- Which team won the 2012 AFL Grand Final?
- In which year did UK soap opera *Coronation Street* premiere?
- What country has the most natural lakes?
- What is the most consumed manufactured drink in the world?
- What is "cynophobia"?
- Who named the Pacific Ocean?
- What was the first feature-length animated movie ever released?
- From which country does Gouda cheese originate?
- Who played Rose in *Golden Girls*?



Ena Sharples and Hilda Ogden from *Coronation Street*

1 Sudan 2 The Sydney Swans 3 1960 4 Canada 5 Tea 6 Fear of dogs 7 Ferdinand Magellan 8 Snow White and the Seven Dwarfs 9 Netherlands 10 Betty White

HOLLYWOOD WORD SEARCH

- | | |
|----------|---------|
| ASTAIRE | GARLAND |
| BERGMAN | GRANT |
| BOGART | HEPBURN |
| BRANDO | KELLY |
| CHAPLIN | MARX |
| CRAWFORD | MONROE |
| DAVIS | OLIVIER |
| DIETRICH | OSCAR |
| FONDA | ROGERS |
| GABLE | TEMPLE |
| GARBO | TAYLOR |

A	S	B	S	H	E	P	B	U	R	N	A	G
S	R	R	I	O	L	I	V	I	E	R	A	P
T	N	A	V	T	R	A	G	O	B	R	E	O
A	N	N	A	R	X	S	D	E	L	W	S	M
I	I	D	D	R	O	F	W	A	R	C	T	H
R	L	O	I	G	R	V	N	B	A	E	O	N
E	P	D	E	R	E	D	R	R	M	N	Y	A
W	A	F	T	O	F	E	O	P	X	R	A	M
B	H	E	R	G	O	P	L	O	B	R	A	G
N	C	N	I	E	N	E	Y	L	L	E	K	R
X	O	R	C	R	D	O	A	G	A	B	L	E
M	O	T	H	S	A	X	T	N	A	R	G	B



In The Kitchen

BEST-EVER LEMON MERINGUE CHEESECAKE



INGREDIENTS

- 250g packed butternut snap cookies
- 75g butter, melted, cooled
- 5 gelatine leaves
- 750g cream cheese, softened
- 3 tsp finely grated lemon rind
- 2 tbsp lemon juice
- 1 1/2 cups caster sugar
- 300ml thickened cream
- 1/2 cup lemon curd
- 4 egg whites

SERVINGS: 12

PREPARATION: 4 hours, 30 minutes

COOKING: 5 minutes

SOURCE: <https://bit.ly/3cBA1hS>

STEP 1

Grease a 20cm round (base) springform pan. Line base and side with baking paper, extending paper 5cm above edge of pan.

STEP 2

Place cookies in a food processor. Process until fine crumbs form. Add melted butter. Process until combined. Press biscuit mixture over base of prepared pan. Refrigerate.

STEP 3

Place gelatine in a small bowl. Cover with cold water. Stand for 5 minutes. Remove gelatine from water, squeezing out excess water. Place in a small saucepan over low heat. Cook for 1 minute or until gelatine has dissolved.

STEP 4

Meanwhile, using an electric mixer, beat cream cheese, lemon rind, lemon juice and 1/2 cup sugar until smooth and creamy. Gradually beat in gelatine until combined. Gradually add cream. Beat until mixture thickens and is well combined. Fold in lemon curd until combined. Spoon mixture into prepared pan. Smooth top. Refrigerate for 4 hours or overnight.

STEP 5

Using electric mixer, beat egg whites and the remaining caster sugar for 10 to 12 minutes or until thick and glossy, and sugar has dissolved.

STEP 6

Remove cheesecake from pan and place on a serving plate. Dollop with meringue mixture. Using a kitchen blowtorch, lightly brown meringue. Serve immediately.

THAI PUMPKIN SOUP



INGREDIENTS

- 1kg butternut pumpkin, peeled, cut in 1.5cm pieces
- 2 tbsp red curry paste
- 270ml can coconut cream
- 1/4 cup roughly chopped fresh coriander leaves

Step 1

Heat a large saucepan over medium heat. Add pumpkin and curry paste. Cook, stirring, for 1 to 2 minutes or until mixture starts to stick to bottom of pan. Add coconut cream. Cook, stirring, for 1 minute.

Step 2

Add 2 cups cold water. Bring to the boil. Reduce heat to low. Simmer, covered, for 20 minutes or until pumpkin has softened. Set aside for 5 minutes.

Step 3

Blend or process soup in batches until smooth. Season with salt and pepper. Top with coriander. Serve.

SERVINGS: 4

PREPARATION: 15 minutes

COOKING: 23 minutes

SOURCE: <https://bit.ly/3Qh8Qqt>

EZONE

PAPER FLOWERS

MATERIALS

- Circle paper punch
- Yellow paper
- Paper in a variety of colours
- Paper cutter or scissors
- Glue stick
- Green paper drinking straws
- Clear tape

STEP 1

First punch a few circles out of yellow paper. You will need one circle for 1 flower. We recommend you use larger punch if you are working with small children as it will be easier for them to handle.

STEP 2

Cut strips of paper. There is some trial and error with the next step. Depending on your circle size, different lengths (and widths) of paper strips will work. We recommend you first make one strip of paper and make a loop (as seen in the next step) and see if it works with your circle size. Once you are happy with the size of the loop in relation to your yellow circle, start cutting strips of paper in that size.

STEP 3

Glue the ends of paper strips together, making a paper loop. You will need quite a few (the number depends on the size of the flower you are making).

STEP 4

Glue the loops on one side of the paper circle. We started by sticking 4 at a 90° angle, then another 4 in between and another 8 in between those.

STEP 5

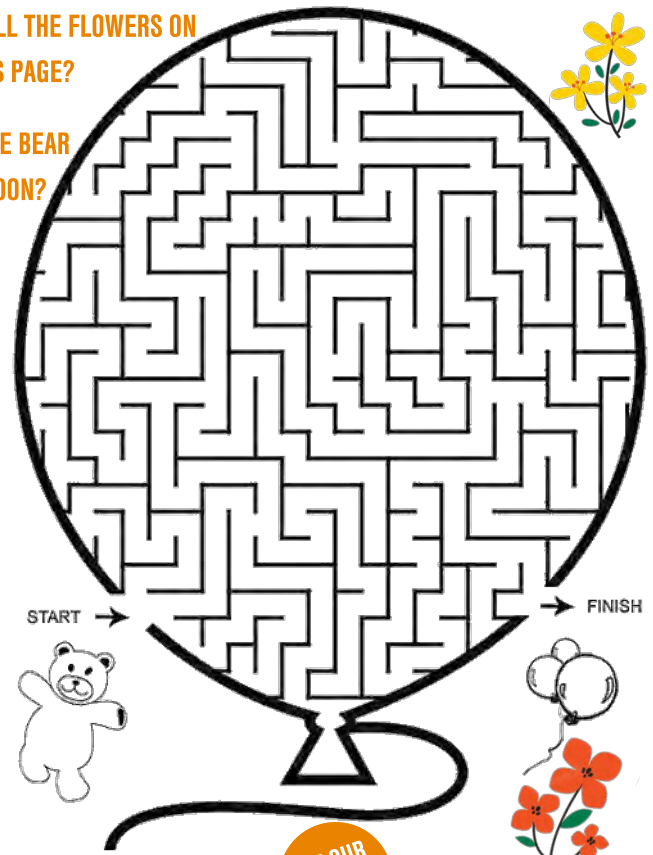
Once you are happy with how full your paper flower craft is looking, apply some glue onto the green paper straw and press it in the middle of the flower. Secure with tape.

Source: <https://www.easypeasyandfun.com/paper-flower-craft/>



CAN YOU FIND ALL THE FLOWERS ON THIS PAGE?

CAN YOU SHOW BENNY THE BEAR THE WAY TO HIS BALLOON?



COLOUR ME IN!



PUZZLE ANSWERS

A	S	B	S	H	E	P	B	U	R	N	A	G
S	R	R	I	O	L	I	V	I	E	R	A	P
T	N	A	V	T	R	A	G	O	B	R	E	O
A	N	N	A	R	X	S	D	E	L	W	S	M
I	I	D	D	R	O	F	W	A	R	C	T	H
R	L	O	I	G	R	V	N	B	A	E	O	N
E	P	D	E	R	E	D	R	R	M	N	Y	A
W	A	F	T	O	F	E	O	P	X	R	A	M
B	H	E	R	G	O	P	L	O	B	R	A	G
N	C	N	I	E	N	E	Y	L	L	E	K	R
X	O	R	C	R	D	O	A	G	A	B	L	E
M	O	T	H	S	A	X	T	N	A	R	G	B

1	3	6	5	2	4	7	9	8
8	9	5	3	6	7	1	2	4
7	2	4	9	8	1	3	5	6
5	8	3	6	4	9	2	7	1
2	6	1	8	7	3	9	4	5
4	7	9	1	5	2	6	8	3
6	4	2	7	1	8	5	3	9
9	5	7	4	3	6	8	1	2
3	1	8	2	9	5	4	6	7



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