

# EXPLORING DIFFERENT SAVINGS VEHICLES FOR FUNDING EDUCATION

NEITA RECIPIENTS  
REPRESENT TEACHING  
EXCELLENCE  
ACROSS AUSTRALIA

WHAT THEY SAY...  
VIEWS ON THE  
TEACHER SHORTAGE  
IN SCHOOLS

HOW CAN WE EQUIP  
STUDENTS FOR  
THE NEW WORLD  
OF WORK

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# CEO'S MESSAGE



Dear Member

The last few years have been very challenging. Thankfully though, it is great to feel a sense of normality returning, but any post-pandemic optimism should be tempered with caution due to a new set of daily life challenges emerging with the soaring costs of living and concerns for a worsening outlook.

Indeed, the last few months has seen steep increases in the cost of necessities. Notably, the March quarter annual inflation rate was 5.1% (the highest in Australia for 20 years) and if you have a home loan, you are likely to be further hit by increasing interest rates.

Whilst inflation and higher interest rates may put many household budgets under some level of stress, we at Futurity hope these new challenges are short-lived. Especially, we hope they do not interrupt your savings plans as a Futurity Member to invest in education to unlock the doors of future opportunities for you and your family. I like the saying: *"Your wealth is your family and Education is the key to achieving that wealth."*

And on this theme, at Futurity whilst we believe that our range of Education Bond are our product sector's leader, we are also mindful that there are other vehicles for saving and investing to fund education. So, in this issue of Scholastic an article explores the array of different ways to save and invest for education funding. Planning ahead is always the key and whichever investment vehicle used (and it might be a combination), can help deliver the financial

freedom to choose the type of education you want to access for your family or yourself.

With the rapid pace with which our world is changing, for many children choosing a career pathway can be a complex, daunting and confusing task. This issue features results gathered by McCrindle Research that provides valuable insights *as seen through your child's eyes* on topics, like career paths, job types and the future workplace.

I must also mention that nominations are still open for the 2022 NEiTA Awards. You have until 17 July to nominate an outstanding educator - because teachers help to transform student futures and set them on their path.

In closing, we are approaching the end of another financial year and inside you will find an invitation to Futurity's 48th AGM. Please consider this as a personal invitation and I hope to see you online at the virtual AGM in October.

Warm regards

A handwritten signature in black ink, appearing to read 'Ross Higgins', with a stylized flourish at the end.

**Ross Higgins**

# EXPLORING DIFFERENT SAVINGS VEHICLES FOR FUNDING EDUCATION

At Futurity, we believe education is one of the most powerful investments that we can make for the future of our children, grandchildren and even for our own career and lifelong education. We like the saying: *“Your wealth is your family and Education is the key to achieving that wealth”*

In saying this, whilst we believe that our range of Education Bond are our product sector’s leader, we are also mindful that there are other vehicles for saving and investing to fund education. Here are some general and high-level insights:

## < *Bank Savings Accounts*

You save regularly into a Bank Account dedicated for accumulating your targeted amount needed to fund your child’s education over a certain future period. Your savings might be ad hoc when you have some spare cash, or often by a more favoured automatic direct debit.

Although, your savings are in a safe bank-backed environment - with today’s lower interest rates your account’s growth through interest earned might be relatively small. Bank accounts are also not tax-effective for many savers, and they don’t have any special tax advantages for savings solely dedicated to education funding.

## *Investment Bonds*

Depending on your personal circumstances, Investments Bonds can be a tax-effective\* way to help achieve your long-term “life-event” goals, including funding home ownership, retirement and education. Whilst they operate under an attractive tax-effective\* framework – Investment Bonds do not have any special tax benefits tied to education saving or expense claims.

Investment Bonds work like a combined life insurance investment contract and a Managed Fund - with a range of investment options, such as shares, fixed interest and property.



## Shares

For those wanting to grow their money for education purposes, investing in the share market has provided some great results when markets consistently rise and some not-so-great results when sudden or falling markets happen.

For those without investment expertise, shares can take lots of research and can be time consuming if you want to actively monitor your share portfolio. You are also taxed on dividends received and realised capital gains when you sell your shares.

## Managed Funds and Exchange-Traded Funds (ETFs)

A Managed Fund is a unit trust product that pools your savings with other investors' money and uses a professional funds manager to invest the pool into assets like shares, fixed interest and property. Tax is paid by you on annual income distributed on the units you hold and capital gains tax applies also on realised capital gains when you sell your units.

An ETF is a managed fund where your units can be bought or sold on an exchange, like the ASX.

## Education Bonds

Education Bonds, such as the range offered by Futurity are established for the sole purpose of being a savings and investment vehicle to fund a full spectrum of lifelong education, including expenses for school, university, vocation and career and adult education.

Besides being tax-effective\* and delivering similar benefits as the other types of investments and savings vehicles, Education Bonds also have the added bonus of some unique taxation and product features tied to their sole education savings and claims uses.



## BENEFITS AND FEATURES OF FUTURITY'S EDUCATION BOND RANGE SNAPSHOT:



**1. First Ever Family “Discretionary” Education Bond** – You have discretion to appoint up to 10 Education Beneficiaries under the one flexible Bond established for your whole family, including children, grandchildren and even for yourself.

**2. Special Tax Benefits** – Every time a claim is made against your Education Bond for meeting education expenses, an additional cash Education Tax Benefit is automatically added by Futurity.

**3. Tax Effective\* Investing** – Because Education Bonds are “tax-paid” (by Futurity) they can be a tax-effective way of saving and investing for education funding if you as the Bond’s Owner have a personal marginal tax rate of 30% or above.

**4. Competitive Fees** – In comparison to other similar investments, Futurity charges competitive fees. There are no fees for establishing your Bond and depending on the size of your investment, you may be eligible for reduced management fees on your Education Bond.

**5. Set and Forget** – From the Futurity Bond’s expansive investment menu, take a set-and-forget approach by using a pre-set diversified “growth” styled Investment Option aligned to your education funding horizon. Your Bond is also set-and-forget for tax purposes, as you as Bond Owner have no annual tax reporting during its savings accumulation phase.

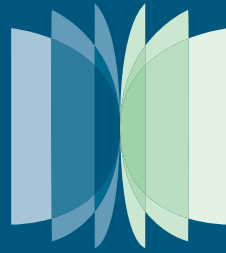
**6. A Regulated Investment** – Education Bonds are investment-linked life insurance contracts between you and Futurity. Only friendly society-based life companies can issue them, and we are highly regulated and prudentially supervised by APRA.

Futurity has considerable capital reserves to support our financial capacity and resilience to administer your Education Bond, over the long-term and across changing investment and economic cycles.

This article provides general and high-level descriptions of some of the various savings and investment vehicles to fund education. It is not intended to contain recommendations, statements of opinion or advice. We are providing a very basic description of some of the key differences and features in saving options for education without considering personal objectives, financial situations or needs.

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\*“Tax-effective” when used relates only to a Bond Owner of an Investment Bond or an Education Bond with a personal marginal tax rate of 30% or above.



**FUTURITY**  
INVESTMENT GROUP

# 2022 ANNUAL GENERAL MEETING AND CALL FOR DIRECTOR NOMINATIONS

Advance notice is hereby given that the  
48th AGM of the members of Futurity Investment Group  
will be held on Friday, 28 October 2022.

A further notice to Members for this year's AGM will be in the next issue of Scholastic  
together with details of how to attend and agenda items that will be considered.

## **DIRECTOR NOMINATIONS CLOSE SOON**

If you have interest in nominating for a Director position,  
you can access information about the process [here](#).

Please contact **Fiona O'Neill**, Corporate Counsel & Company Secretary,  
at [FONeill@futuraityinvest.com](mailto:FONeill@futuraityinvest.com) or call **03 9276 777** if you have any questions.

# NEITA RECIPIENTS REPRESENT TEACHING EXCELLENCE ACROSS AUSTRALIA

## Award categories enable recognition of outstanding work of various teacher cohorts

Over the last 28 years, the National Excellence in Teaching Awards (NEiTA) have been presented to teachers and educators spanning the education system – from early childhood to primary and secondary, teachers supporting children with special needs, early childhood centre teams, early career teachers with less than four years of teaching experience as well as teachers who have been in the profession for decades.

Special awards include the Terry O'Connell Regional and Remote Teachers' Award and The Smith Family-NEiTA Award for Powering Potential, the latter presented to teachers who support students experiencing disadvantage. Motivated by the recognition of their work, these teachers, selected from nominations submitted from across Australia, continue to contribute to their school community and to transform futures.

For instance, the 2020 Terry O'Connell Award recipient, Shelley De Ruyter of William Ross State High School in Queensland, selected for connecting her school with local industry, academia, and the community and for being instrumental in developing

her school's aquaculture program, continues to play a part in linking the local economy and two university campuses in Townsville.

## NEITA RECIPIENTS WORK TO ACHIEVE UNIVERSAL EDUCATION OBJECTIVES

In keeping with the overall theme in 2020, the NEiTA Foundation recognised the achievements of educators who rose to meet the year's unique challenges of school closures and lockdowns. Kye Foster of Koonawarra Public School in Dapto, NSW, helped get devices out to lower socio-economic students and families during the COVID-19 crisis. Kye, who is a first-year teacher of Indigenous heritage, proved that he was a leader by example as he helped bridge the digital divide in his school community – contributing towards providing accessible education for all.

In 2021, Romina Maione of Albion Park Rail Public School and Andrew FitzSimons of Dapto High School were selected as inaugural winners of The Smith Family-NEiTA Award for Powering Potential last year for their efforts to support students experiencing disadvantage to succeed in their learning.





2018 NEiTA Award winners with The NEiTA Foundation and Futurity executives.

Alicia Giles (Leash) of Xavier Catholic College in Bathurst Island, NT, was selected to receive the 2021 Terry O'Connell Award for her leadership in developing pedagogy that children in the Tiwi Islands could relate to. Leash developed 30 culturally inclusive texts that demonstrably lifted reading ages in secondary students in the remote NT community.

Since winning the NEiTA Award, Leash is finding ways to extend her circle of influence beyond her school to advocate for education equity in Indigenous communities across Australia. This universal education objective is also closely aligned to a key advocacy objective of Futurity Investment Group, which has been proudly supporting the NEiTA Awards for close to 30 years.

By continuing to support the 2022 NEiTA awards, Futurity acknowledges the valuable contribution inspirational teachers make in the development of youth in Australia and New Zealand. Nominations are now open for the 28th edition of the NEiTA Awards. Visit [neita.com](https://www.neita.com/) to nominate an outstanding educator today.



The  
**NEiTA**  
Foundation Est. 1994

For more details, visit  
<https://www.neita.com/> or  
follow the [NEiTA LinkedIn](#)  
page.

# WHAT THEY SAY...

## VIEWS OF STUDENTS, PARENTS, SCHOOL LEADERS AND EDUCATION ANALYSTS ON WHAT TEACHER SHORTAGE MEANS TO THEM



"We have a crisis, a teacher shortage crisis that requires a serious policy response, a reset to tackle the underlying causes of this shortage, namely uncompetitive pay and crippling workloads."

- NSW Teachers Federation President Angelo Gavrielatos in an [ABC News article proposing solutions to fix teacher shortages](#)

"It's been a bit of a day-to-day balancing act, working out how many students are in attendance, which staff are available, and we have resorted to lots of combining classes, which is not something we've had to do in the past."

- David Sutton, Principal of Maryborough Education Centre, says in an [ABC News article on Victorian teachers being offered financial incentives to work in regional areas](#).

"You don't really have anyone to ask [questions], so you pull out your phone to search it up. Then once you get on your phone, you open up your Instagram. You get a bit carried away, because there's no teacher there."

- Cohen, Year 11 student at a regional NSW high school, in a comment to ABC RN for an [article on teacher shortages](#).



“Our school struggles to attract teachers willing to move to the regions. Even a big town like ours. Most vacant positions are offered as 12-month contracts only, as new permanent positions are offered to existing staff first (fair enough). It is so hard to convince someone to move to a new region for a 12-month contract, especially an experienced teacher who may have a family established elsewhere. The impact on children is a revolving door of casual and short-term teachers who never get a chance to develop an understanding of their students and their individual needs, regardless of their skills or good will. The disruption results in behaviour problems.”

- Fran, parent of primary and secondary school children studying in a Catholic school in regional NSW, speaking to [The Guardian on the issue](#).

“Anyone who’s been paying attention of late can tell you that we’re in the midst of a critical teacher shortage, and that attracting people into the profession is a problem, as well as retaining them into and beyond mid-career.”

- Dr Nicole Mockler, Associate Professor of Education, University of Sydney, in a blogpost titled [What we really mean when we talk about teacher quality](#) in [EduResearch Matters](#)

“Ensuring an adequate supply of teachers is a key concern for teacher employers and other education stakeholders. Shortages are considered to be acute in specific areas including special education, early childhood, science, maths, design and technology, and languages. Shortages are also more prevalent in regional, rural and remote locations. Often, schools employ teachers to teach out of field to fill vacancies.

Despite longstanding reports of shortages facing the Australian schooling system, there is little systemic national data and modelling to assess the volume and nature of the supply and demand of teachers in Australia.”

- [Next Steps: Report of the Quality Initial Teacher Education Review](#), final report of the Quality Initial Teacher Education Review, conducted in 2021 by an expert panel chaired by Ms Lisa Paul AO PSM.



“(Teacher) Shortages are endemic in schools with disadvantaged and low SES student cohorts. It stands to reason that schools in disadvantaged communities and under resourced schools have greater shortages driven by lower levels of teacher satisfaction and higher levels of attrition and turnover than advantaged and well-resourced schools. Australia is the only high performing OECD country where schools in disadvantaged areas are resourced to a lower level than schools in the most advantaged areas and continually stands out among OECD countries because of its failure to allocate resources where they are most needed and the impact of this failure is felt most heavily in public schools.”

- [Australian Education Union submission to the Department of Education, Skills and Employment on the Review of Quality Initial Teacher Education](#)

“Central to the attraction of the highest quality of graduates is the remuneration and the respect. And the workload and the conditions of the profession. Without addressing those matters, we will not attract and retain teachers in the numbers required.

“When young people who are at university continually read and hear politicians talk so disparagingly about teachers, with such disrespect, is it any wonder it is not a profession they choose to join? It is very tied to the remuneration and the conditions and the respect. Those are very important signals.”

- Amber Flohm, Senior Vice-President of the New South Wales Teachers Federation, in a comment to The Guardian, Australia edition, for an article titled [Pay and respect crucial to reversing recruitment crisis, NSW union says](#).

“Teachers’ workloads need to be corrected so they can focus on what they are passionate about doing and are good at – teaching. It could also give them back their evenings, weekends, and work-life balance. Finding ways to lighten the administrative burden on teachers should be a priority for all systems and schools. Schools should have an eye to introducing efficiencies into existing administrative practices, such as through software solutions, and to finding new ways to reduce or share the burden, such as through inhouse or outsourced support services.”

- Mary Clarke, Founder and Principal of DXP Consulting and lead author of The NEiTA-ACE Teachers Report Card 2021, in the NEiTA blogpost [Who is going to teach the kids?](#)

# It's time to shine a light on our unsung education heroes

Nominate an outstanding educator for a National Excellence in Teaching Award




Visit [neita.com](https://neita.com) or simply scan the QR code to nominate a teacher, or principal now.



RECOGNISING AND REWARDING TEACHING EXCELLENCE FOR OVER 27 YEARS





# EQUIPPING STUDENTS FOR THE NEW WORLD OF WORK

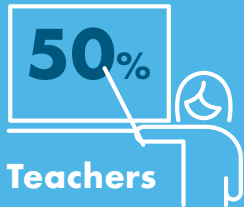
In a rapidly changing world with all the uncertainties thrown in, predicting jobs of the future is not entirely a useful exercise. Rather, parents and other caregivers can shift focus away from helping children to become job-ready and instead encourage them to constantly update and adapt, and to love lifelong learning.

Looking at the future through the point of view of a young person and understanding their motivations can assist parents in their well-meaning efforts to support children in high school and tertiary education carve out their career paths.

Social analysts from Australia-based McGrindle Research derived the following helpful insights based on the responses of 1,001 youth aged between 16 and 24 years\*.

## EDUCATION AND LEARNING OUTCOMES

**Top 3 platforms used by students to teach themselves new skills:**



**Three out of four students are taking ownership of their learning**

## CAREER PATHS



**At least one in four have a clear idea of what career they want to pursue when they finish their studies**



**50%**  
have a fair idea of their future career

## EMPLOYEE/ ENTREPRENEUR

**Just 14%**  
of students are looking for traditional employment



**Close to half see themselves as a regular employee but also working on something they have started on the side**

## FUTURE WORKPLACE



**A vast majority (82%) are more likely to describe hybrid workplaces as their ideal working situation**

**60%**

**see a flexible working lifestyle as one of their greatest future opportunities**



L1: We will understand how to draft on

# MEET THE SMITH FAMILY ALUMNUS GIVING BACK TO HER COMMUNITY THROUGH TEACHING

Serena Ripari is proud to be the first person in her family to go to university, completing a Master of Teaching degree at Deakin University and then becoming a successful high school teacher.

Serena's life changed at the age of 15 when her parents separated, and her mother became the primary caretaker of five children in regional Victoria.

"Mum tried her absolute hardest with us kids, but money was tight and it was difficult for her to provide us with the financial support we needed for school," Serena said.

"We moved schools a few times during my parent's separation, going to live with my aunty in Bendigo while mum got back on her feet."

Amid the uncertainty of moving homes and schools, one thing that remained a constant in Serena's life was The Smith Family.

From primary school, Serena and her siblings were all involved in The Smith Family's *Learning for Life* program, so no matter what was going on in their lives they could access education essentials just like the other kids – including school uniforms, stationery and books.

In high school Serena really fell in love with school and education. “I had some amazing teachers who were empathetic and stayed back after school to support me,” she said.

“Knowing that my teachers and The Smith Family believed in me gave me the stamina to keep going when times were tough, and I knew I wanted to pass that support on one day.”

Serena went on to receive a Smith Family tertiary scholarship for university, allowing her to study the course of her dreams: teaching. “I was the first person in my family to go to university, so that was a really, really big deal.”

“It was a huge culture shock. I felt like there were a lot of gaps in my education,” Serena said.

But with the support of The Smith Family, she was provided with a mentor to help her navigate her way through tertiary studies and a smooth transition to work.

“Shortly after I started university, the COVID pandemic hit, and Melbourne residents went into months and months of lockdowns.

“I was worried it would take a toll on my education, but my mentor Kelly would call me regularly to check in or to just have a chat, and this meant the world to me.

“If it wasn’t for Kelly, I don’t know if I could have kept going,” she said.

In addition to building a close bond with her mentor, Serena was also provided with financial support through The Smith Family tertiary scholarship, which helped to pay for university expenses.

“I studied a literature course as part of my degree, and we were required to read around 20 books a semester. That’s hundreds of dollars’ worth of books that I didn’t have to worry about.

“I was also able to use some of the money to buy a new laptop to study remotely. If I didn’t have that I would have really struggled to stay on track with my learning, especially during lockdowns,” she said.

Now, Serena teaches full time at a school in Melbourne’s western suburbs. “I want to give back to the community by teaching at a school in an area where students face socio-economic disadvantage,” Serena said.

“I find that I’m instantly connected to many of my students because I understand and relate to the financial struggles they may be facing.”

“I absolutely love what I do and feel really fulfilled. I don’t know where I’d be now if it wasn’t for The Smith Family.”

Futurity is proud to work closely with The Smith Family as a long-term philanthropic partner. Our donations support 70 young people experiencing disadvantage to stay in school and thrive through their Learning for Life program. We are pleased that our partnership has deepened over the last financial year through the participation of Futurity employees in The Smith Family's volunteering activities. To learn more about The Smith Family and how you can help make a difference to young people in need, go to [thesmithfamily.com.au](https://thesmithfamily.com.au)



*everyone's family*





## **WE HAVE MOVED TO A NEW OFFICE**

We are pleased to let you know that Futurity has recently relocated to a new, smarter business premises with a rich history.

**Our new address is:**

**Level 15, 333 Collins Street, Melbourne 3000**


Situated in the heart of the Melbourne CBD, 333 Collins Street was the headquarters of the Commercial Bank of Australia when it was established in 1866. Our new office gives us the opportunity to continue to attract the talent needed to serve our members and collaborate more closely with our valuable business stakeholders. We look forward to continuing to serve your needs and work with you at our new location.

**Our contact numbers and email addresses remain unchanged.**

**Please contact us if you have any questions or concerns about our office relocation.**



# LIVE IN THE MOMENT AND STRESS LESS WITH FUTURITY EDUCATION LOANS



A Futurity Tuition Instalment Loan can help you pay your private school fees on time and spread the cost into manageable repayments over a 12-month period.<sup>^</sup>

Some of the product features you'll enjoy are:

- Flexible repayment options
- \$0 Application Fee, a competitive 3% Annual Service Fee of the loan limit and no interest payable\*
- Easy online application process

Members enjoy a special reduced 2% Annual Service Fee over the first 12 months of their loan for Tuition Instalment Loan applications made by 31 December 2022.

Find out more by visiting [www.futurityinvest.com.au/education-loans](http://www.futurityinvest.com.au/education-loans)

<sup>^</sup>Lending criteria applies. \*A default interest rate of 4% may apply if loan is not paid by the due date. Full terms and conditions available on request. Approved applicants only. Conditions apply. Refer to website for detailed information. Finance provided by Futurity Investment Group Limited ACN 087 648 879, Australian Credit Licence 236665.



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