



## PLANNING

Sydney, Malta or Luxembourg?

Australians are in a world search for a new-style of retirement. By Nigel Bowen.

Globally, Sydney was named the top place to retire, with the tiny European nations of Malta and Luxembourg, second and third respectively, in Knight Frank's *Global Lifestyle Review – 2016*.

The survey analyses the lifestyle available in 26 favourable tax locations around the world for people at three different stages of life – entrepreneur, family and retired couple.

In its rankings Knight Frank factors in the cost of health care; hours of sunshine per year; the cost of a cappuccino; distance to a major international airport; as well as quality of life as ranked by Mercer.

# 10 best places to retire



Source: Global Lifestyle Review – 2016, Knight Frank.

“The tree change and sea change are less of a trend than was the case a decade ago.”

Matt Whitby, Knight Frank

Can you afford it?

None of the top 10 cities to retire in Knight Frank's list are cheap places to live.

While it may seem like the world is a retirees' oyster, where and how they can live comes down to how much they've saved for retirement. You can access your super from anywhere in the world and you can generally receive the aged pension for the whole time you are outside Australia. However, this can be a little more complicated and possibly involve a two-year waiting period if you've spent part of your working (and tax-paying years) living outside the country.

If you want to retire overseas you must be realistic about how much money you'll need in your chosen destination. As glamorous as it sounds, there's little use relocating to Monaco if you'll be struggling to make ends meet. Likewise, it's cheaper to live in Bali than Auckland or Sydney.

This explains the growing interest among Australian retirees in moving to Asia, a quick and cheap flight away. The Asian nations most often considered by retirees from Australia (and other Western nations) include Thailand, Malaysia, Vietnam and the Philippines. Destinations such as Bali and Cambodia attract lesser but still significant interest.



Low cost of living and 3000 hours of sunshine a year helped make Malta the second most popular place for retirees in Knight Frank's Global Lifestyle Review – 2016.

Australia or overseas?

While it's serendipitous for those who already live in one of the places listed in Knight Frank's top 10, others planning where to spend their retirement years still have plenty of options.

"If a retiree is interested in high culture they might want to move somewhere like Vienna," says Alex Koch de Gooreynd, a London-based partner at Knight Frank who spends much of his time advising wealthy Europeans about where to retire.

"If they love the big-city buzz they might go to New York. If they're a keen sailor they might base themselves in Sydney."

Rather than waiting until you are on the cusp of retiring, start early and put a plan in place to make the transition smoother. Research issues such as what health services will be available and at what cost, whether you can buy property, what taxes you will be subject to and visa conditions.

Then, if you are still serious about moving overseas – either for lifestyle reasons or to make your retirement dollars stretch further – try to spend an extended break there and speak to other retirees who've made the move to avoid suffering buyer's remorse. For Australians, aside from Asia, Europe and New Zealand are also popular choices.

The big three overseas destinations for Australian retirees are, in order, Italy, Greece and New Zealand. This is no doubt the result of a significant proportion of migrants returning to the land of their birth after spending all or part of their working lives in Australia.

"They [retirees] want to be where their children and grandchildren are, or at least within reasonable striking distance of them," says Koch de Gooreynd.

"Of course, in today's globalised world that means Australian retirees may base themselves near children who are based in the UK for work reasons. Just like British retirees may move to be with children who've migrated to Australia."

## SUPERANNUATION

Get ready to buy your yacht

READ MORE

## Country or city?

For those staying put in Australia, being close to family is one of the key considerations when deciding whether you'd rather be based in a capital city or move to a regional area, as is access to quality healthcare.

“The tree change and sea change are less of a trend than was the case a decade ago,” says Matt Whitby, group director, head of research and consulting at Knight Frank.

“Many grandparents want or need to be close to their families to provide support. The cost of childcare and the demands on families where both parents work probably has something to do with that. Retirees who've spent their lives in major population centres love to be around their existing friend base and close to quality amenities, good healthcare, great restaurants and an airport.”

Maybe after weighing up all the options, you'll decide that you've been living in the best retirement option all along.

John Walker, a financial advisor at RetireInvest, points out that contrary to popular belief many retirees don't even downsize: “I find people are happy to stay in the family home, no matter how massive it is. Some will eventually sell up and move to a flat or retirement home, but plenty never do.”



Stable property prices and the low cost of healthcare helped make Luxembourg the third most popular place for retirees in Knight Frank's Global Lifestyle Review – 2016.

Need advice?

Call an ANZ financial  
planner today on  
1800 626 855

Any information in this article is of a general nature and does not take into account your objectives, financial situation or needs. Before acting on this information, you should consider any relevant product disclosure document and whether it is appropriate for you. ANZ Financial Planners are representatives of Australia and New Zealand Banking Group Limited (ABN 11 005 357 522), the holder of an Australian Financial Services Licence.

Any statements of past performance do not represent future performances, and any case studies are shown for illustrative purposes only, and are not a prediction of the actual outcomes you will achieve.

The Share Investments service in Grow by ANZ is provided by Share Investing Limited ABN 93 078 174 973. Share Investing Limited is not a bank. Except for deposits in your ANZ Cash Investment Account, obligations of Share Investing Limited are not deposits or liabilities of ANZ. ANZ does not guarantee Share Investing Limited.