

A romantic couple is on a sailboat. The man, shirtless and wearing dark shorts, stands with his back to the camera, arms outstretched towards the horizon. The woman, in a teal bikini, leans over the side of the boat, holding onto the rigging and looking out at the sea. The background features a calm ocean under a warm, golden sunset sky with soft clouds. The boat's deck and ropes are visible in the foreground.

ALREADY YESTERDAY

FINDING YOUR CERTAIN PATH TO FINANCIAL FREEDOM

Co-authored by Damien Gwynne & John Duran

"I DON'T WANT DWINDLING JOY"

THESE WORDS WERE FIRST HEARD BY THE AUTHOR

CHAPTER ONE

"I just want freedom.

I'm not talking about the kind of freedom you want at work – I'm pretty happy at work. Things are stable, which is a relief after three or four years of hearing rumours about lay-offs and firings, you know? I like the freedom of knowing my job is stable, but that's not the freedom I want. I have it. I'm happy with it.

I'm not talking about the freedom of your 20's or your 30's, either. I've had that, too. Plenty of travel. Thailand. Bali. Cambodia. Spain. Greece. My passport is pretty much worn out.

I'm talking about the freedom of the future. I want to look into the future and see liberty. I want to see stability. I want to have control over it.

I want to live a lifestyle where I don't have to worry about taxes, mortgages, working and trudging through the worries that fill the decades that are supposed to be your golden years. I saw my parents go through it and I don't want it. I saw my dad stress because of it and I saw his health decline, his relationships deteriorate and his enjoyment dwindle to the point where pretty much the most exciting part of his week was cracking open a cold one and watching footy on the weekends.

I don't want dwindling joy."

That was my monologue today when I was sitting in the office of a financial advisor my friend Shawn recommended to me. The office was sparse: a grey desk, two of the same chairs, a window



“SO WHAT’S YOUR ADVICE”

with blinds shuttered and three or four air conditioning ducts sighing their steady hum as I sat in silence after unloading my embarrassingly honest appraisal of what I wanted out of life.

I was waiting for the advisor to talk. I wasn’t sure if he heard me.

“So what’s your advice,” I asked him.

“My advice is to come back and see me next week. We need to come up with a plan,” he said.

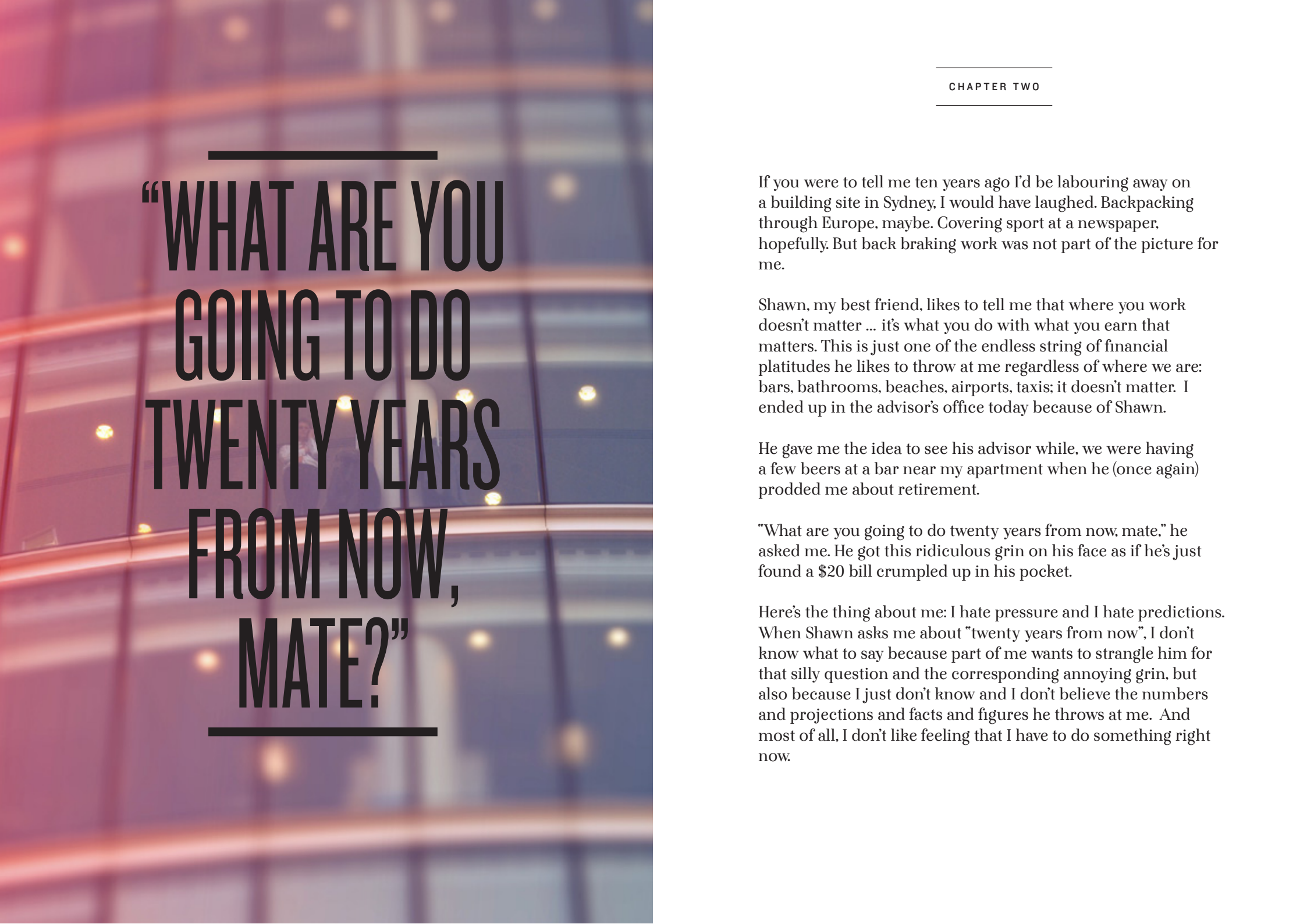
“Look, I’m only here because Shawn told me I should talk with you. I don’t want this to turn into some three-week thing where I’m in here pouring my life out to you. I just want some ideas about retirement. That’s it. No return visits,” I said.

He looked at me and smiled.

“Just some ideas? Here’s an idea. Come back here next week. I have an hour in my schedule next Friday,” he said.

“That’s not going to work. I’m leaving for Melbourne on Thursday and won’t be back until the following Tuesday,” I said.

I got up out of my seat, dropped a quick “Gotta get back to work... cheers!” and slid out of the office.



“WHAT ARE YOU
GOING TO DO
TWENTY YEARS
FROM NOW,
MATE?”

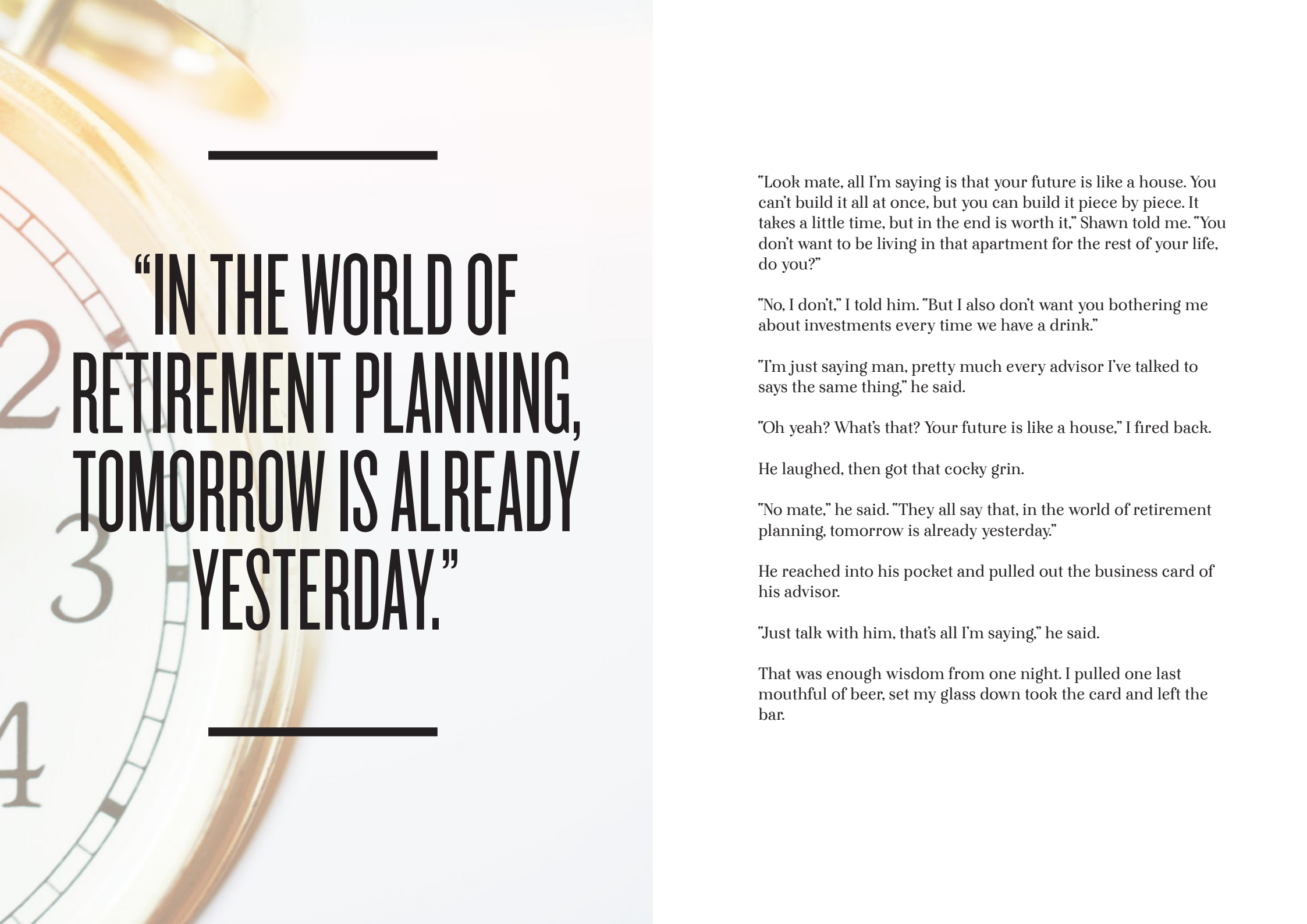
If you were to tell me ten years ago I'd be labouring away on a building site in Sydney, I would have laughed. Backpacking through Europe, maybe. Covering sport at a newspaper, hopefully. But back braking work was not part of the picture for me.

Shawn, my best friend, likes to tell me that where you work doesn't matter ... it's what you do with what you earn that matters. This is just one of the endless string of financial platitudes he likes to throw at me regardless of where we are: bars, bathrooms, beaches, airports, taxis; it doesn't matter. I ended up in the advisor's office today because of Shawn.

He gave me the idea to see his advisor while, we were having a few beers at a bar near my apartment when he (once again) prodded me about retirement.

“What are you going to do twenty years from now, mate,” he asked me. He got this ridiculous grin on his face as if he's just found a \$20 bill crumpled up in his pocket.

Here's the thing about me: I hate pressure and I hate predictions. When Shawn asks me about “twenty years from now”, I don't know what to say because part of me wants to strangle him for that silly question and the corresponding annoying grin, but also because I just don't know and I don't believe the numbers and projections and facts and figures he throws at me. And most of all, I don't like feeling that I have to do something right now.



**“IN THE WORLD OF
RETIREMENT PLANNING,
TOMORROW IS ALREADY
YESTERDAY.”**

“Look mate, all I’m saying is that your future is like a house. You can’t build it all at once, but you can build it piece by piece. It takes a little time, but in the end is worth it,” Shawn told me. “You don’t want to be living in that apartment for the rest of your life, do you?”

“No, I don’t,” I told him. “But I also don’t want you bothering me about investments every time we have a drink.”

“I’m just saying man, pretty much every advisor I’ve talked to says the same thing,” he said.

“Oh yeah? What’s that? Your future is like a house,” I fired back.

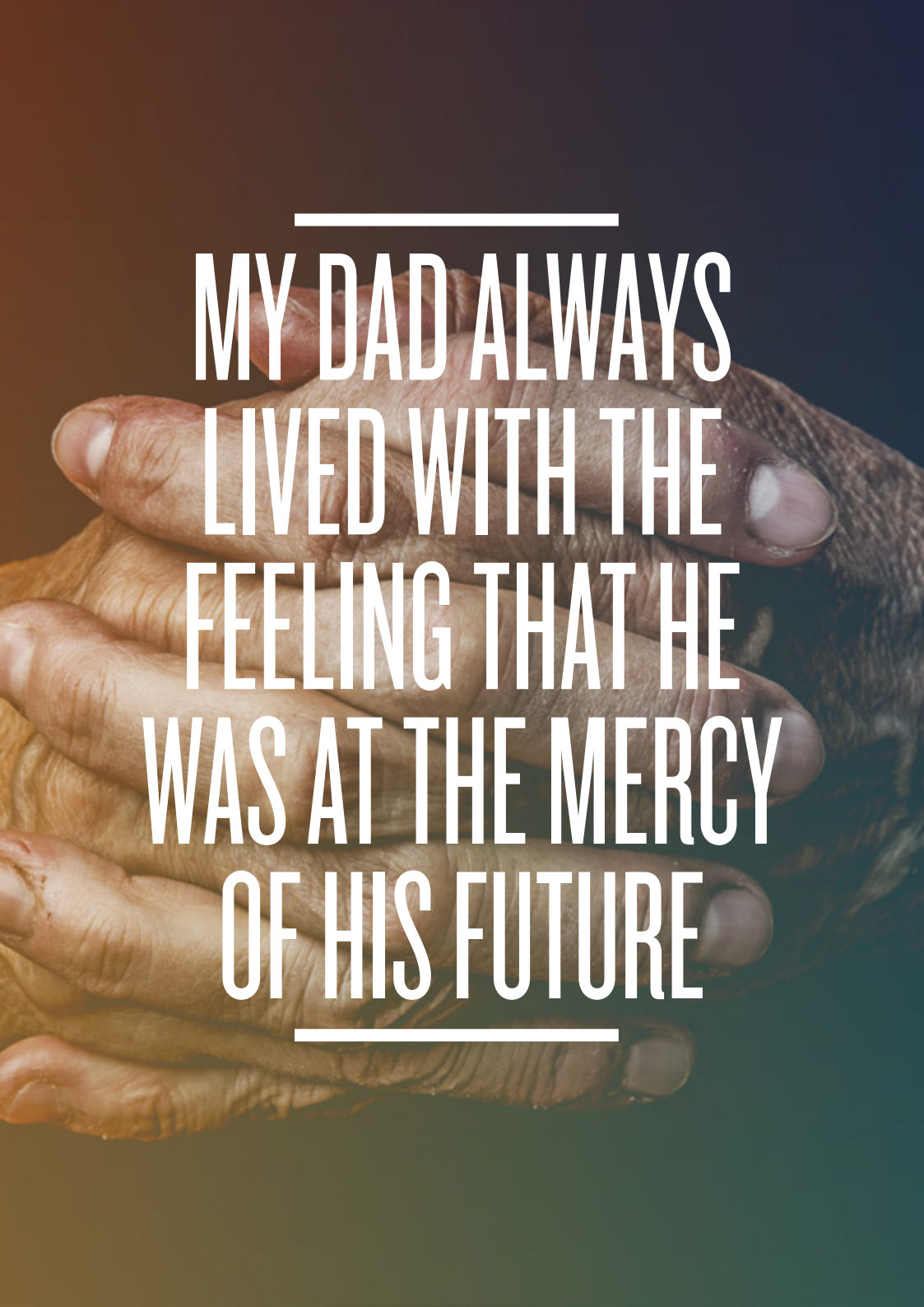
He laughed, then got that cocky grin.

“No mate,” he said. “They all say that, in the world of retirement planning, tomorrow is already yesterday.”

He reached into his pocket and pulled out the business card of his advisor.

“Just talk with him, that’s all I’m saying,” he said.

That was enough wisdom from one night. I pulled one last mouthful of beer, set my glass down took the card and left the bar.



MY DAD ALWAYS LIVED WITH THE FEELING THAT HE WAS AT THE MERCY OF HIS FUTURE

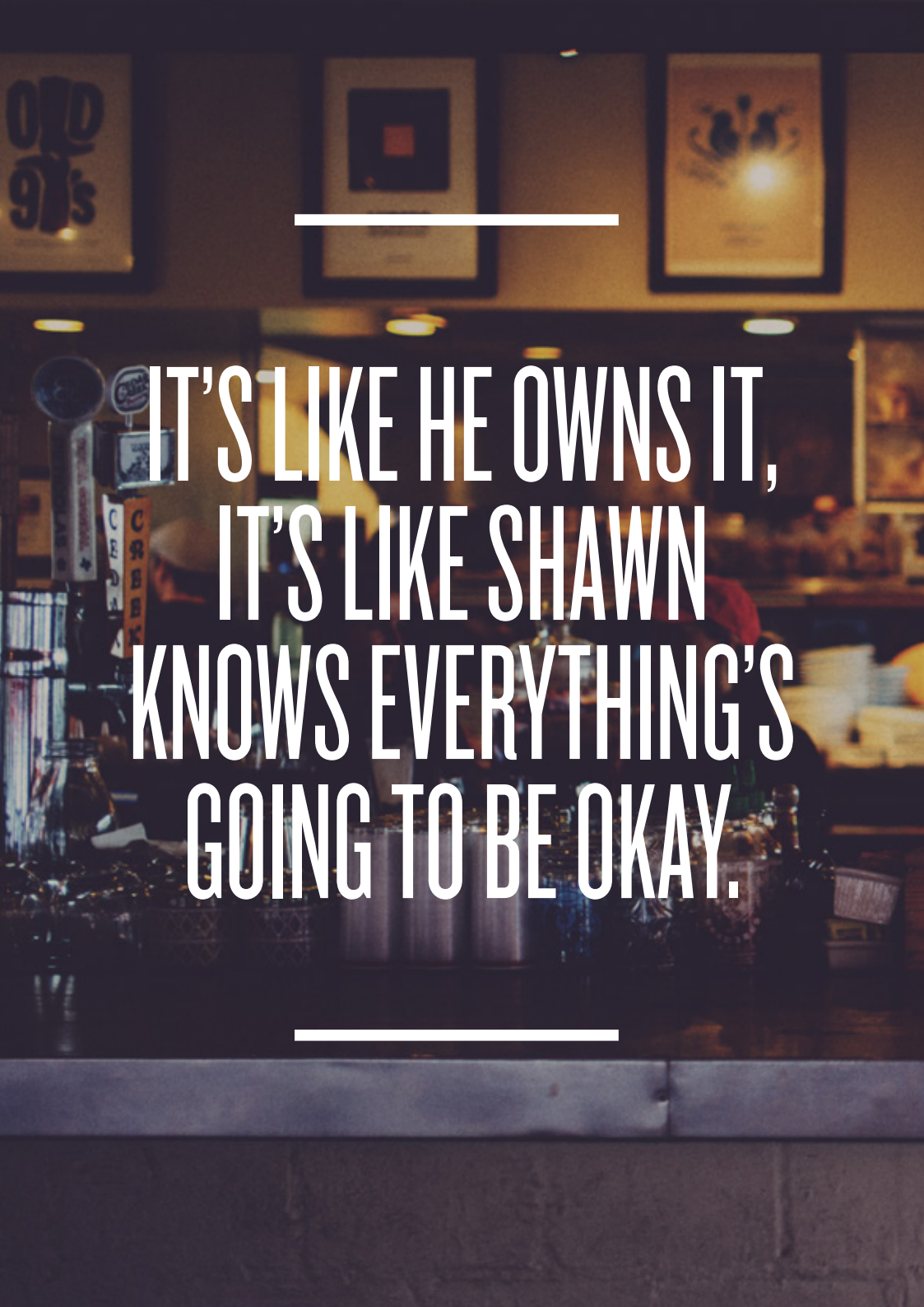
The reason I love and hate Shawn as a friend is because he reminds me of my dad in many ways. Like my dad, he loves sport and he loves beer. We go camping like me and my dad used to do. But there's a big difference between Shawn and my dad.

My dad always lived with this feeling that he was at the mercy of his future – it's like he was a victim to things he couldn't see. Part of it was that he was so focused on what was happening in the present that he – whether for fear or forgetfulness – never put much thought into the future. The other part of it was that he never trusted anyone enough to let them help him plan the future – not my mum, not me nor any one of the numerous people who offered him financial advice.

His refrain was always the same. "The only person I trust with my money is myself. I'm not going to give what I earn to some 'expert' who's going to rip me off."

I respected him for his self-reliance, but in another sense it grieved me to see how he and my mom struggled through the years after his retirement. He earned a flimsy pension after a lifelong career as a tradie. The first time I found out how much he was bringing in every month I had to stop myself from showing him how shocked I was. I had no idea how they were making it.

Like I said, this is where Shawn is different than my dad. Shawn exudes this kind of confidence that I wished my dad had possessed. He's put his money in property, which he says is a




IT'S LIKE HE OWNS IT,
IT'S LIKE SHAWN
KNOWS EVERYTHING'S
GOING TO BE OKAY.

long-term investment that will fund his retirement. He doesn't feel like he's at the mercy of his future. It's like he owns it, it's like Shawn knows everything's going to be okay.

I'm more of a pessimist: I think everything is going to be okay, but I need to be in control of everything myself in order to know it's going to work out. My dad was kind of like that, except he always applied his control to the present and never to the future.

I'm somewhere in the middle, I guess. I want to have control over what happens to me in the future, but I don't feel like I can trust anyone enough to let them have some of that control in order to help me. You can see why I hate Shawn's constant reminders about the future, about retirement and about investment. He has the bad habit of explaining things like everyone knows what he's talking about.

Sometimes I follow him, sometime I don't. But as we were talking together in the bar about retirement, it reminded me of another discussion I'd had several years before.



THE REPLY WAS OBVIOUS: “HOW?”

CHAPTER FOUR

About six years ago I spent a month on holiday travelling through Southeast Asia. I wouldn't say the trip changed my life, but it was an amazing experience. I even considered quitting my job and getting a new start in Cambodia.

I remember one conversation I had with a guy who was in his late 50's and staying at the same hostel I was somewhere in the outskirts of Phnom Penh. He'd retired from his job and decided he wanted to backpack from Beijing to Barcelona. We met for beers one night. It was one those insanely hot nights, where it feels like it's so hot your internal organs are melting and you're sweating them out all over the ground.

"I used to deal with business-to-business stuff. B2B, right? Got tired of it. Retired early and started my own B2B: Beijing to Barcelona," he said to me, ripping off a hefty laugh before taking a deep swig of icy beer.

The reply was obvious: "How?"

He launched into this story about how, when he was in his late thirties, he went to a seminar on financial planning because someone from work invited him.

"Yeah, I really wasn't interested in the stuff, but I didn't want to be rude," he said. "So I went."

The idea, he said, was simple. You buy property in particular areas of your city knowing that you're making a long-term



I FEEL LIKE
I HAVE ENOUGH
CONTROL OVER THE
IDEA TO MAKE IT
MY OWN AND
IMPLEMENT IT IN
MY LIFE.

investment. You ride out the ups and downs of the market and, in the end, you pay off your mortgage on the properties and you're living off the rent your tenants are paying.

The old guy was convinced enough to let one of the advisors meet with him at home to find out more about the planning process.

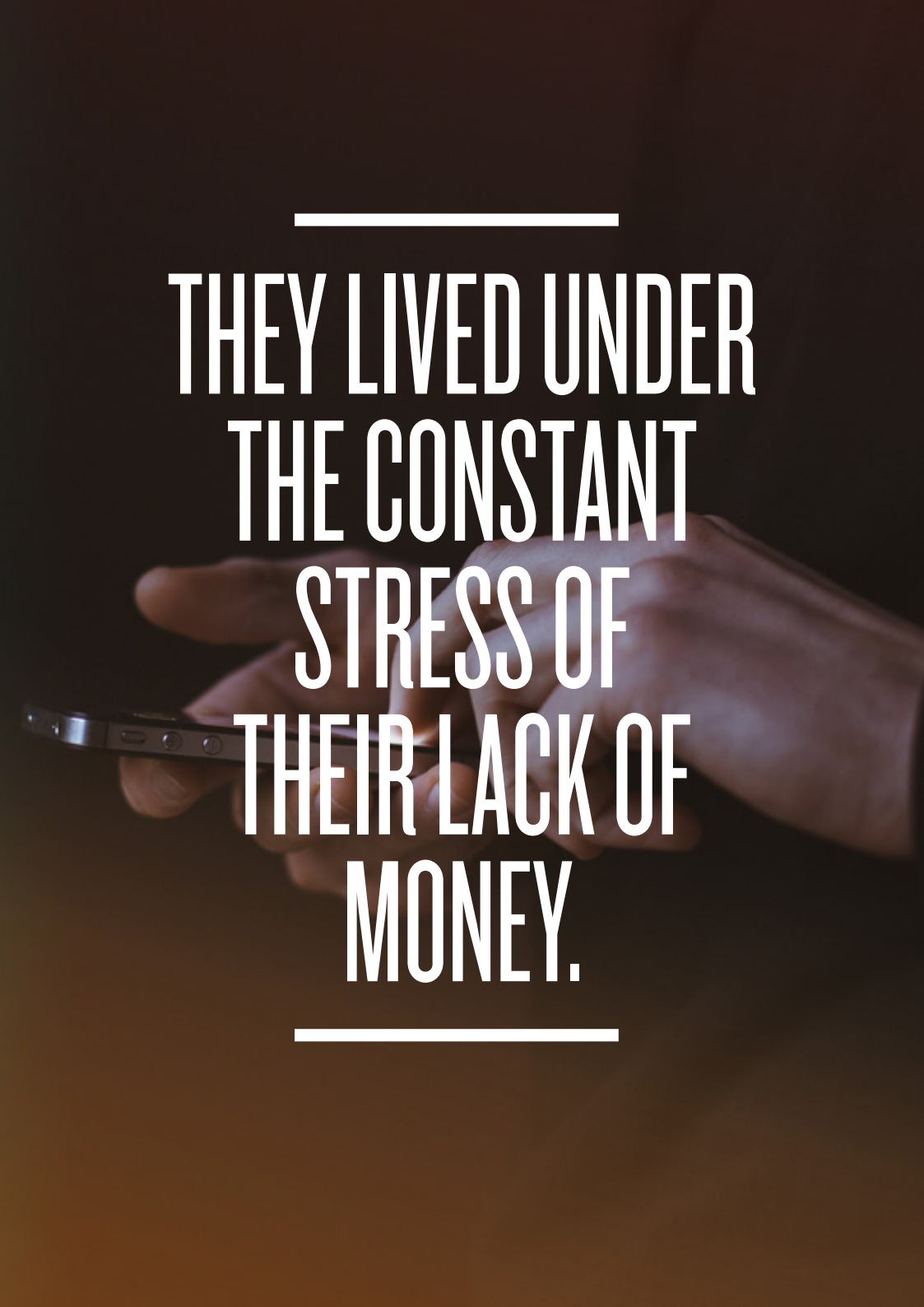
"After a couple of hours, it was clear," he said.

"What was clear," I asked.

"It was clear that I had to do something, that social security wasn't enough, that if I was going to be enjoying happy hour in Cambodia in my late 50's that I was going to have to change the way I viewed my future," he said, getting more animated with every word.

I was about four cold beers into a scorching Cambodian night and I can't say for sure I understood everything the guy said, but it made sense and I like things that make sense. When I understand something, I feel like I have enough control over the idea to make it my own and implement it in my life.

I liked talking to the guy because he wasn't pressuring me. He was just telling me his story. Of course, the next day he was gone. One week later, I was back in Sydney grinding away at my job. I quickly forgot our conversation, mainly because the overwhelming fear of the global financial crisis was at its crest and I knew there was no possible way I could come up with the cash to invest in anything significant. It didn't seem like the timing was right. So I worked.



THEY LIVED UNDER THE CONSTANT STRESS OF THEIR LACK OF MONEY.

CHAPTER FIVE

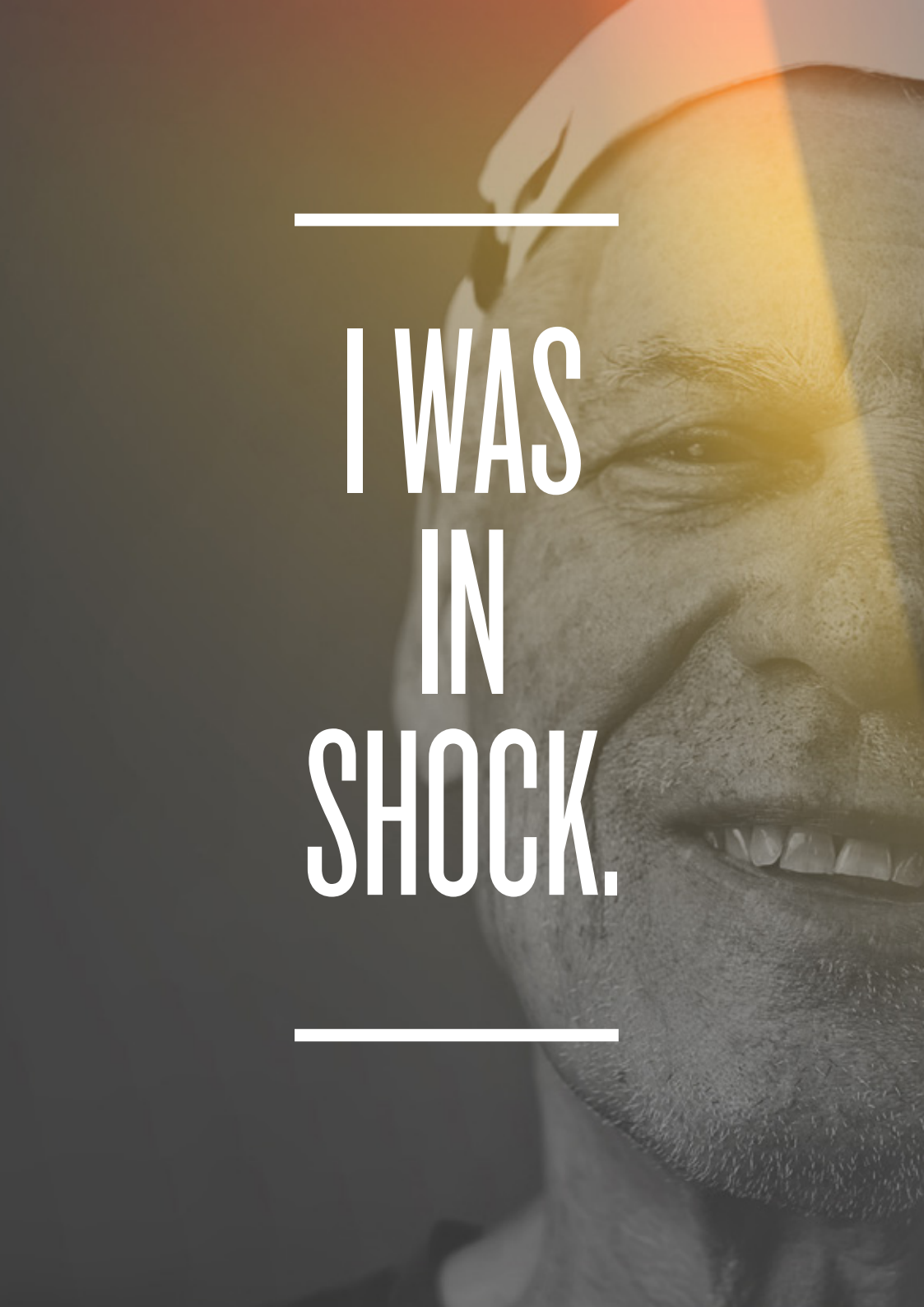
Like I told the advisor earlier today, I had plans to go to Melbourne the following weekend and I didn't have time to meet again to talk about my future. It was a half-truth: a friend invited me to come down for the weekend to watch the footy, barbecue and binge-watching our favourite American TV shows. I hadn't said yes yet, but I was pretty sure I was going so I told the advisor (Rick, I think his name was) I would be out of town.

I finished off my work day and went home to my apartment. I was sitting on my couch when my phone rang. It was my dad. He was using a tone of voice that worried me, like how you hear a fire truck's siren wailing in the distance and you know somewhere flames are ending someone's dreams.

"Your mum and I are divorcing," he said.

Forty-three years. More than four decades. Nearly half a century. Done. Gone. I asked him why. That's when he lost it. He told me he was utterly embarrassed. Utterly devastated at what their life had become. They lived under the constant stress of their lack of money. He felt like a failure because he couldn't provide for my mum. He knew it. She knew it. They fought. They clawed. They said things to each other that seared their mutual trust so fiercely only bitterness remained. He sobbed

And you know what I thought about while he sobbed and explained and apologised? That old retired man I met in Cambodia. All I could think about was the way he laughed



I WAS IN SHOCK.

and drank his beer like he was actually enjoying his life. I kept replaying that laugh in my mind over and over again. I was in shock. The laugh. The heartbreak. My dad and his regret. It was everything at one time and I knew I wanted something different.

A person stands on a sandy beach at sunset, their back to the camera with arms outstretched towards the horizon. The sun is low, creating a warm orange glow over the ocean and sky. The person's shadow is cast long on the sand.

AND THAT'S WHEN I REALISED SOMETHING POWERFUL.

When anything goes wrong in my life I call Shawn.

"Hey mate, I need to talk," I told him.

"What's up," he asked.

"My dad just called me. He said he and my mum are getting divorced," I said.

"I'm coming over," he said.

Shawn showed up about 30 minutes later with a pair of cigars and a bottle of Johnny Walker Black. Whiskey and a good smoke cures all, we like to say.

We talked, drank and smoked. I told him about what my dad said about his marriage. We talked about the stress, the finances, their arguments – it was not easy. About two hours into the discourse, the conversation turned.

We started talking about ourselves – our own fears, our worries – and that's when I realised something powerful.

"I don't want to be my dad, mate," I told him. "I want to take care of myself, of my family and I want to enjoy my life."

I don't know if it was the scotch or the cigars, but Shawn started laughing. He got that cocky grin again.

"Mate, I know you're hurting heaps, but that's the best thing you've told me in a long time," he said

“YOU’LL HAVE PAID
ABOUT \$800,000
IN TAXES DURING
YOUR LIFE.”

“Grab some paper,” he told me.

I went into my office and pulled out some printer paper, grabbed two pens from my desk and went back into the living room. I sat down on the couch next to Shawn. The paper and pens went on the coffee table in front of us.

“Are you ready, mate,” Shawn asked me.

“Ready for what,” I asked.

“TMR,” he said.

He didn’t explain. He took one of the pens and started scribbling numbers across the blank sheet in front of me. It was impressive. I felt like I was sitting next to a magician.

He stopped his little mathematical typhoon long enough to look at me and tell me I was spending too much money on taxes. I didn’t think that was possible. Everyone pays taxes, right? But it wasn’t until he started telling how much I pay every year, every 10 years and every 30 years that I realised I was spending way too much money for which I’d never see a return. I didn’t like that.

“Basically, mate, you’re going to be paying about \$450,000 in taxes from the time you’re 40 to the time you’re 65,” he told me. “Look at it like this. By the time you’re your dad’s age, you’ll have paid about \$800,000 in taxes during your life.”

I took a quick punch of scotch.

**“SO HOW DOES THIS
DEPRESSING STUFF
HELP ME LIVE A HAPPY
RETIREMENT?”**

“Um, that’s pretty ridiculous,” I said.

“Yeah, it is mate. And you aren’t getting anything back on that investment, either,” he said.

In my head I took issue with his point, mainly because I know that I do benefit from those taxes: roads, schools, government, things like that. But the truth is, I knew that none of that would help me have a happy retirement.

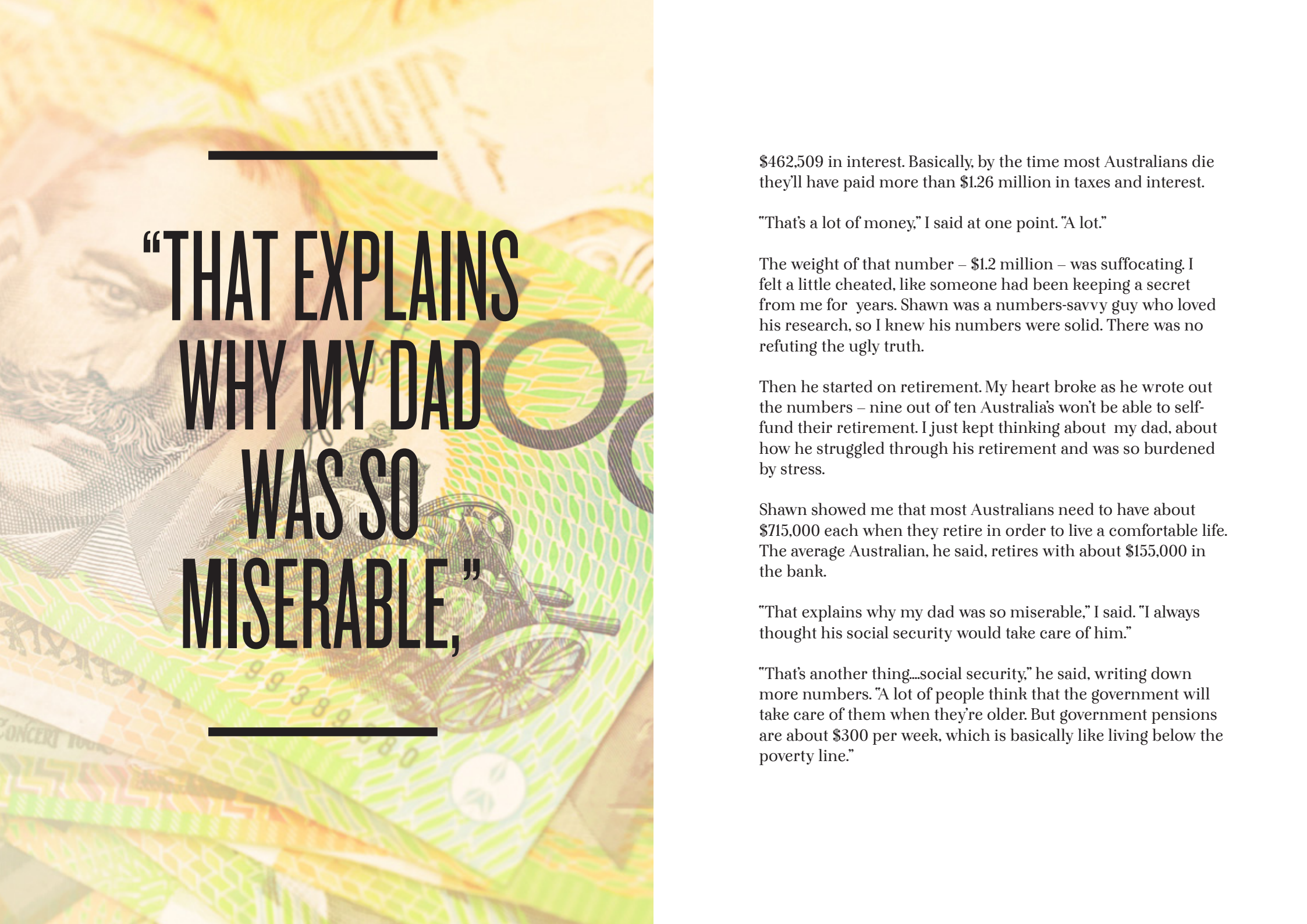
At this point, I was a little lost. So I asked Shawn the question of the night: “So how does this depressing stuff help me live a happy retirement?”

Shawn looked over at me.

“I hate to say this mate, but things are going to get more ridiculous. I’ve gotta show you a few more numbers before we get to the good stuff,” he said.

So, continuing to write like a crazy mathematician possessed by a tropical cyclone, he scribbled out more numbers. He called the theory TMR: taxes, mortgage and retirement. Each aspect of TMR was harrowing. With taxes explained, I thought the future was ugly. When he showed me the truth behind mortgages and retirement, it just got nastier.

Shawn said the average Australian family has a mortgage of about \$443,000. By the end of the mortgage, you’ll end up paying



**“THAT EXPLAINS
WHY MY DAD
WAS SO
MISERABLE,”**

\$462,509 in interest. Basically, by the time most Australians die they'll have paid more than \$1.26 million in taxes and interest.

“That’s a lot of money,” I said at one point. “A lot.”

The weight of that number – \$1.2 million – was suffocating. I felt a little cheated, like someone had been keeping a secret from me for years. Shawn was a numbers-savvy guy who loved his research, so I knew his numbers were solid. There was no refuting the ugly truth.

Then he started on retirement. My heart broke as he wrote out the numbers – nine out of ten Australia’s won’t be able to self-fund their retirement. I just kept thinking about my dad, about how he struggled through his retirement and was so burdened by stress.

Shawn showed me that most Australians need to have about \$715,000 each when they retire in order to live a comfortable life. The average Australian, he said, retires with about \$155,000 in the bank.

“That explains why my dad was so miserable,” I said. “I always thought his social security would take care of him.”

“That’s another thing...social security,” he said, writing down more numbers. “A lot of people think that the government will take care of them when they’re older. But government pensions are about \$300 per week, which is basically like living below the poverty line.”

A man wearing sunglasses is seen from the side, looking out at a sunset. The sky is a warm orange and yellow, with some dark silhouettes of trees in the background. The man is wearing a dark jacket.

“SO WHAT DO I DO?”

I really couldn't believe the words and facts and figures coming out of Shawn's mouth. I mean, I believed them, but they were so depressing they were unbelievable. I'd grown up assured of the fact that I'd be able to live a good life and enjoy a happy retirement – it's what my parents told me, it's what my teachers told me and it's what I saw on TV.

Yet here I was sitting in my living room with my best friend trying to figure out how I could avoid being trapped in an anxiety-ridden retirement like the one my dad was dealing with. I looked into the future and felt a sharp ache in my heart when I thought about how, if I decided to be just like everyone else, I wouldn't be able to provide for my family and, if necessary, take care of my parents, too.

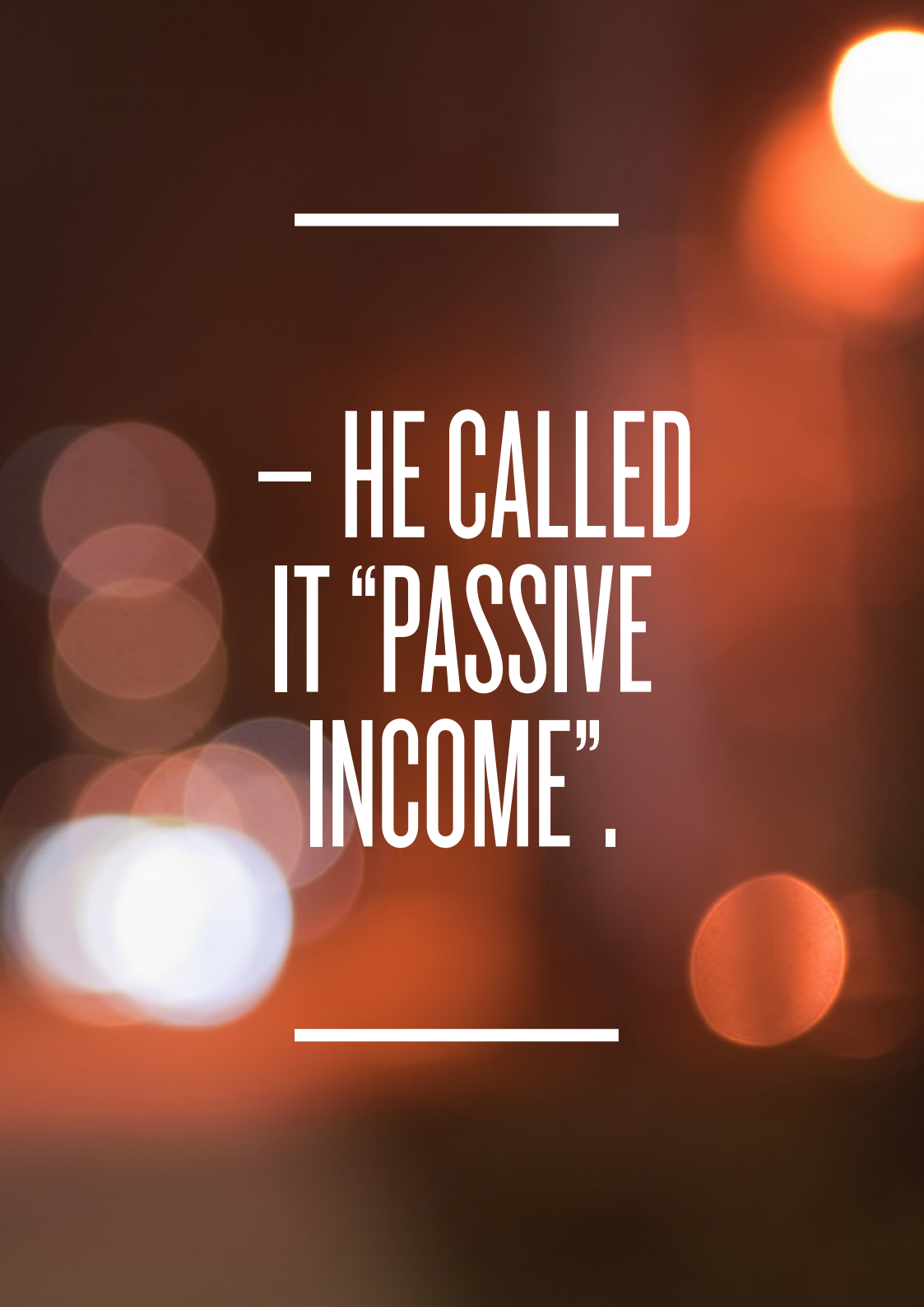
I did not want this life. I remembered what I told Shawn's financial advisor the day before: "I don't want dwindling joy."

And that was the truth. I didn't want my life to be a slow procession toward death, a ghastly narrative where my bank accounts dwindled as I got older and my joy and vitality dwindled with it.

"So what do I do," I asked Shawn.

"Well, that depends," he said.

Stocks are a popular form investment, he told me, but he preferred property over stocks because he liked knowing that his money wasn't tied up in some imaginary piece of a company,



— HE CALLED IT “PASSIVE INCOME”.

CHAPTER EIGHT

but that the property he was renting was helping someone out – families, couples, or just single guys like me who wanted a family and were living alone.

I tried my best to keep up with him as he breezed through the numbers. Basically, property is a good way to go, he said, because you can buy a place with a manageable deposit of \$25,000 for a \$500,000 home. You can use the home to get tax write-offs and deductions so you can reduce your overall income, which reduces the tax you pay. The house gives you steady income you don't really have to work for – he called it “passive income”. Choose a good tenant and everything goes pretty smoothly, he said.

I wished my dad took this advice. The truth is, he'd be happier. I know he would. Finances have a peculiar way of mangling even the purest of love between two people. I was in a weird place; working through the sudden news my parents were getting divorced while at the same time trying understand how I could have a brighter future than my parents.

Shawn and I took a break from the numbers. I took a walk through my apartment complex parking lot. I stopped in one spot under a bland yellow light. I felt a wave of regret barrel through me – I could've done something for my parents. I could've helped them plan. I could've helped. I turned that regret toward myself. I was nearly 40. I didn't have a retirement plan. I didn't want my retirement to turn out like my dad's but I was doing absolutely nothing to change tomorrow.

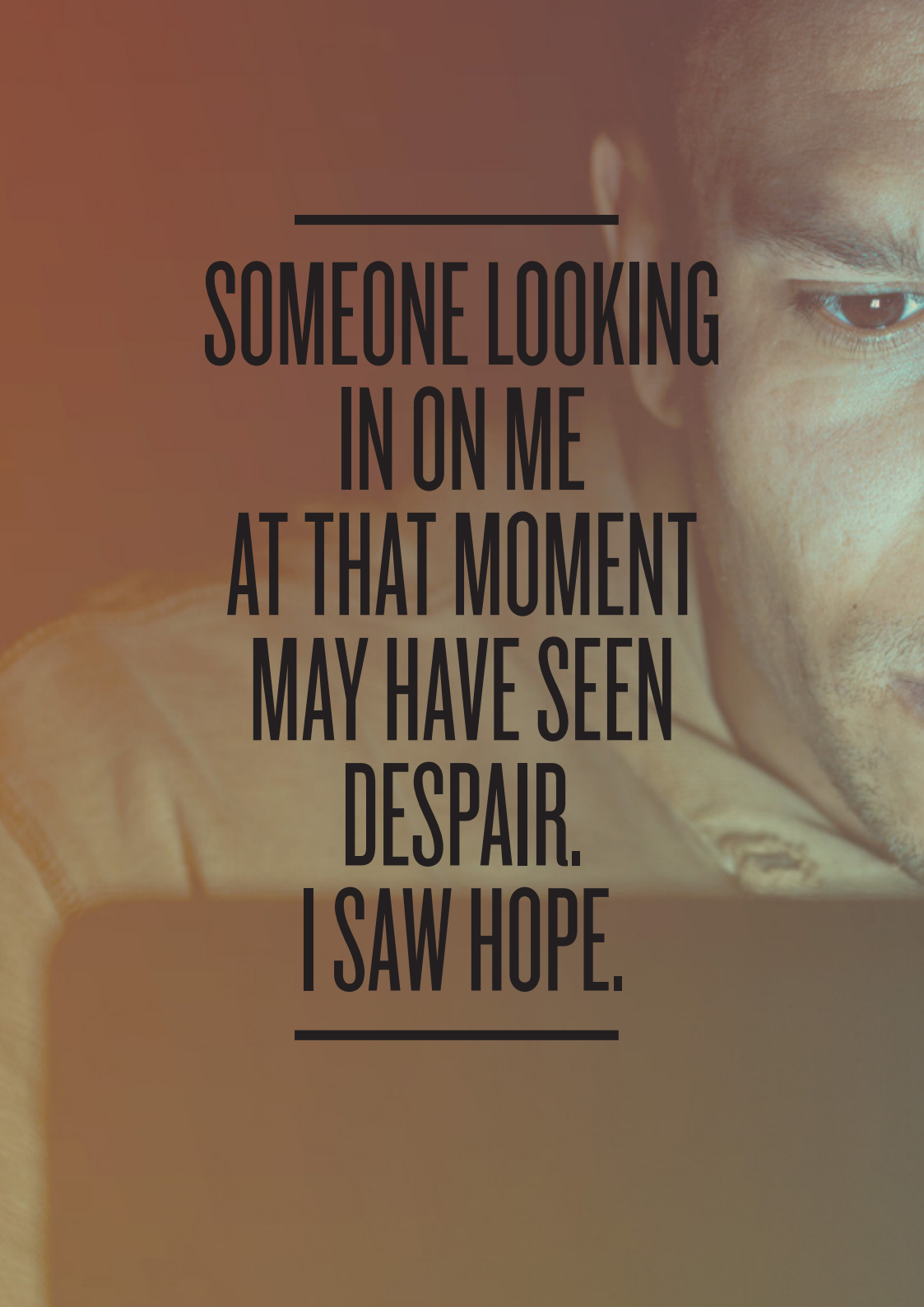


I NEEDED TO
MAKE A CHANGE.
I NEEDED
TO PLAN.

I remembered what Shawn told me once about retirement planning: "Tomorrow is already yesterday."

I thought about the old man I met in Cambodia, about how when he talked to me he seemed so unshackled and undisturbed. The contrast between him and my father was gut-wrenching

I needed to make a change. I needed to plan. I needed to be the person my dad could have been. It was time. I wanted freedom.



SOMEONE LOOKING
IN ON ME
AT THAT MOMENT
MAY HAVE SEEN
DESPAIR.
I SAW HOPE.

I got back to my apartment to find Shawn passed out on the couch. He deserved the rest. I went into my office and turned on my laptop. The screen leapt to life and cast its dark blue glow on the wall behind me. I was soaked in electronic light.

I sent my friend in Melbourne and email: "Apologies, mate. I can't come this weekend. Gotta take care of a few things."

I closed the laptop. The blue light vanished. I was alone; still, silent in the dark. Someone looking in on me at that moment may have seen despair. I saw hope.

I woke up the next morning, walked into the living room and saw Shawn curled up on the couch like an old receipt from Woolworths.

The papers from the night before were scattered on the coffee table. I didn't need the numbers any more. I was convinced. I have to change my future, I thought, I have to do it today.

I walked back into my bedroom, found my pants from the day before and fished through my pockets until I found the business card from Shawn's financial advisor. I grabbed my phone off the dresser and dialled the numbers I saw on the card.

"Hello," the voice said.

"Hey Rick. It's Ian. I talked with you yesterday...I'm Shawn's friend," I said. "Do you remember me?"



“AFTER ALL,
TOMORROW
IS ALREADY
YESTERDAY,
RIGHT?”

CHAPTER NINE

“Of course, mate!

“No mate, I’m not,” I said.

I told him about my conversation with Shawn, about what happened with my parents and about my own fears and worries. He listened.

“So, anyway mate, I was wondering if you could come over to my place and sit down and talk with me about what you do and how you can help me invest,” I said.

“Let’s do it,” Rick said. “After all, tomorrow is already yesterday, right?”

I laughed. I was ready to plan for tomorrow. I was ready for freedom.

A romantic couple is silhouetted against a warm, golden sunset sky. The man is in the foreground, arms outstretched in a gesture of freedom or triumph. The woman is slightly behind him, leaning over the side of a sailboat, holding onto the rigging. The boat's deck and ropes are visible in the lower part of the frame. The sea is calm with gentle ripples reflecting the low sun. In the far distance, a range of low mountains or hills is visible on the horizon.

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