



## MEDIA RELEASE

### Politicians Must Carefully Consider their Position on Superannuation

With the resumption of Federal Parliament this week, the Association of Independent Retirees (A.I.R.) Limited is again calling on all Members and Senators to carefully consider the full implications of the Government's Budget proposals on superannuation

In particular, Coalition Members and Senators are implored to think beyond the Party line and put the interests of their individual constituents first when deciding to support the Treasurer's Budget proposals or to make real change beyond the life of this Parliament.

The key tenets of superannuation policy must be equity, sustainability, adequacy and longevity given the increasing time spent in retirement.

It is imperative that all Federal political parties, politicians and the media acknowledge the need to end the continuous fiddling with Superannuation Policy and provide certainty and stability for those currently in retirement and those planning their future retirement. For this to happen all politicians must take responsibility for building a holistic retirement income system with in-built safeguards to prevent future tax grabbing and benefit changes such as those in the 2016/17 Budget. Such policy must have bi-partisan support.

A.I.R. Executive Officer, Sue Hart, said that confidence and trust in public policy has been badly eroded with the failure of all Federal politicians and their parties to end the ongoing and continuous attack on retirees' superannuation funds.

"The recent and ongoing speculation about possible changes that may be made to the original proposals including increasing the non-concessional contributions cap from \$500,000 and changes to the inequitable and retrospective cap for some superannuants who made their retirement plans under the rules existing prior to the Budget is just adding to the fear and uncertainty," Ms Hart said.

As the peak federal body representing those who in full or partly self-fund their retirement, A.I.R. welcomed the re-appointment of Kelly O'Dwyer as Minister for Revenue and Financial Services in the hope that it would bring some consistency to the debate. This is particularly so given the Minister's recent comments that "*Superannuation is a key part of the system that supports Australians in their retirement years. As the population ages and fiscal pressures increase, we need to be sure that the tax concessions that apply to super are fiscally sustainable and appropriately targeted, and that the system has integrity. It also needs to be flexible, to accommodate the wide range of working arrangements that people experience across their lifetimes.*"

*We expect to begin consultation on exposure draft legislation shortly and, consistent with usual practice, will listen carefully to advice on the design of the legislation."*

A.I.R. sincerely hopes that Minister O'Dwyer is able to exert influence in the Coalition Party Room and achieve true consultation, and that this will include a review of the flawed policy rationale and counter-productive caps and contribution limits proposed by the Treasurer.

Along with other organisations calling for change to the superannuation proposals, A.I.R. is awaiting advice from the Treasurer and Minister O'Dwyer to our recent request for an opportunity to meet with them to explain the impact of the proposed changes primarily on many self-funded retirees and those soon to retire. This would represent a start to real consultation.

For further information, contact Sue Hart, Executive Officer on 02 6290 2599.

29 August 2016

*The Association of Independent Retirees (A.I.R.) Ltd is a member-driven national, not for profit, non-political organisation which works to advance and protect the interests and independent lifestyle of Australians in retirement. A.I.R. seeks to secure recognition and equity for Australians who, through their diligence and careful management, fully or partly self-fund their own retirement needs.*