



## MEDIA RELEASE

### Post-election: Bi-partisan agreement essential to provide certainty in retirement

With the Federal election on 2 July rapidly approaching, 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.

This concern is now further compounded with the impact on local and global markets and stability here in Australia with the economic shock waves resulting from Great Britain's decision to leave the EU. The savings of Australian retirees are now vulnerable due to inevitable share market volatility, continuing low interest rates and the impact of variations in exchange rates and trade flows on investment values.

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 stated aim of the Government and the Opposition to support superannuation as a predictable, long term investment has been lost with these actions," Ms Hart said. "Money held in superannuation funds should not be seen as available funding to help Federal Treasurers bring their Budgets under control."

"Further, the long-held principle of grandfathering superannuation changes to protect those who are in or are approaching retirement has been completely destroyed by policy/Budget measures. The changes proposed in the 2016/17 Federal Budget totally undermine the principle that superannuation changes should not apply retrospectively. To claim that the proposed Budget measures, which the Coalition or Labor may implement if elected, are not retrospective is simply playing with semantics."

The Government's stated objective of superannuation "*to provide income in retirement to substitute or supplement the Age Pension*" - even if legislated after the election - will do nothing to prevent future tax grabbing and benefit changes such as those in the 2016/17 Budget.

"Following considerable consultation with self-funded retirees across Australia, A.I.R. is recommending to the incoming Government that a more realistic definition of the Objective of Superannuation is: *By 2040 for 75% of Australians in retirement to be self-reliant from Government support and have a sustainable income stream that will adequately support a comfortable and active retirement lifestyle.* Such a definition may go some way to increasing the rigour behind considerations to further change the superannuation system in the future," Ms Hart said.

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

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*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.*