



24 September 2019

The Hon Josh Frydenberg MP
Treasurer
Commonwealth of Australia
Parliament House
CANBERRA ACT 2600

Dear Mr Frydenberg,

The Association of Independent Retirees (A.I.R.) Limited represents those retirees who have partly or fully funded their own retirement through superannuation and or private investment, and who value independence in choice of lifestyle, accommodation, health care, aged care and their retirement investment including superannuation. We believe that enhanced independence in retirement contributes to the self-esteem, dignity, self-confidence and integrity of retirees.

In representing self-funded retirees, A.I.R. undertakes research and develops policy on matters that impact on the economic, health and social welfare of retirees, and the organisation has a strong advocacy program on the policies adopted by the organisation.

Our organisation is particularly interested in the “Review of Retirement Incomes” that you announced last May immediately after the election of the Coalition Government. We are concerned that any changes to retirement incomes arising from such a Review, and given consideration by your Government, may have an adverse impact on retirees who have saved during their working life to provide for their retirement independent of Government.

We understand that you are currently drafting the terms of reference for the Review which will soon commence with a target completion in 2020.

We would very much appreciate our organisation being invited to be involved in the “Review of Retirement Incomes” that the Government is undertaking. Our members have considerable experience in partly and fully funding their own retirement through superannuation and or private investment, and we believe that this experience would assist the Government in adding value to the Review.

Our organisation recognises the significant challenges facing the Government particularly in relation to meeting escalating expenditure in health and aged care, producing a budget surplus in the 2019/20 year, and funding other Government priority expenditure programs.

Further to addressing these challenges, our organisation encourages the Government to ensure that the principles of “fairness and transparency” applies to all retirement income matters to be reviewed. Should any changes be proposed to current legislation associated with retirement income, then our organisation requests the Government to give consideration to those retirees who have set in place their investments to provide income for their

retirement to ensure they are not disadvantaged by the changes, and that “grandfathering” of prior legislative arrangements applies.

On behalf of our Board of Directors we support your initiative in undertaking the Review of Retirement Incomes as recommended by the Productivity Commission and we look forward to our offer to be involved in the Review, being taken up by the Government.

Yours sincerely,

Terrence William O'Callaghan AM
Director
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