



**independence
matters**

Association of
Independent Retirees

Media Release

RETIRES WELCOME MORE BUDGET FUNDING FOR AGED CARE – BUT MORE NEEDED

The Association of Independent Retirees recognises that budgeting for the reduction of national debt, lowering taxation and improving infrastructure leads to a stronger economy and greater prosperity for the nation.

“One bright spot in the budget for retirees”, said Acting President Mr Strandquist, “is the additional \$282 million for an extra 10,000 aged home care packages.’ “This has been a key policy in the AIR’s pre-budget submission to the Government as the demand for home care has escalated”.

“AIR sought a substantial increase in funding for Level 3 and 4 Home Care Packages, and a new Level 5 Home Care package to support higher care needs in the home”, said Mr Strandquist.

Retirees support programs to improve the quality and availability of care in their homes as the elderly overwhelmingly prefer to remain in their homes if appropriate care is available. It is also more cost effective when compared to residential aged care, thus enabling more elderly to be supported.

Mr Strandquist added that “The wait lists for home care packages are still too long for the higher levels and additional resources are needed so the waiting time to get the required package does not exceed 3 months”.

While income tax cuts will be welcomed by workers to meet the rising costs of living, “partly and fully self-funded retirees have virtually no opportunity to increase their income as they draw down on their retirement savings to cover increased living expenses,” said Mr Wayne Strandquist.

“With interest rates at an all-time low and reduced superannuation fund returns for 2018 as a result of disappointing share market returns and the prospect of increased taxes on their retirement assets, many retirees will struggle to make ends meet in the future” Mr Strandquist noted.

AIR welcomes the removal of the work test for 65 and 66-year-olds in line with the increased retirement age that will provide more time for non-concessional contributions into super.

Mr Strandquist also noted that “having previously introduced caps on contributions and concessional amounts held in superannuation funds in previous years, the Government has resisted further targeting of retirement savings to raise revenue for the budget”.

“This is appreciated by AIR and is in direct contrast to the proposals announced by the Labor Party that if elected to Government, they will reduce earnings of self-funded retirees through the removal of franking credit cash refunds, doubling Capital Gains Tax and removal of negative gearing for existing housing investment,” said Mr Strandquist.

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