

## Media Release

### RETIREES WELCOME INTEREST CUT TO GOVERNMENT HOME EQUITY SCHEME

“Retirees welcome the reduction of 0.55% in the interest rate applied by the Government to access the equity tied up in their home under the re-branded **Home Equity Access Scheme**,” said Mr Wayne Strandquist, National President of the Association of Independent Retirees.

“The Association of Independent Retirees had previously appealed to the Government that the interest rate of 4.5% was too high and well above the available home loan interest rate and it should be reduced”, said Mr Strandquist.

“The re-branded **Home Equity Access Scheme (HEAS)** formerly known as the Pensioner Loan Scheme better describes the purpose of the scheme rather than being only intended for age pensioners”, added Mr Strandquist

“The criteria for the scheme to access the equity held in their family home remains the same where applicants must be over the qualifying age for an Age Pension, but its new name will broaden its appeal to self-funded retirees and potentially increase the take up of the scheme”, explained Mr Strandquist.

“Retirees have been criticised in the media for holding substantial wealth in their homes. The Home Equity Access Scheme from the Federal Government provides retirees with more flexibility to meet their expenses by accessing a voluntary non-taxable fortnightly loan up to 150% of the Age Pension payment”, said Mr Strandquist.

“These latest changes to the HEAS announced by the Government together with the changes introduced into Parliament early in December that provide for a No Negative Equity Guarantee and access to capped lump sum payments, will take the pressure off retirees and enable them to improve their living standards,” concluded Mr Strandquist.

*For further information or for Media Comments please contact:*

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