

Stop Attacking Older Australians

“The federal government (and to some extent the opposition) seem to have put older Australians in the same category as rip-off merchants and con artists; they are effectively using pension and superannuation policy to attack them,” says Adelaide based financial strategist Theo Marinis.

“The cuts to pension entitlements from 1 January 2017 penalise a hard working, pre-superannuation generation who have tried to act responsibly and put away some money for their retirement and aged care planning. Instead, they now face the prospect of having poverty imposed on them by our overpaid, over privileged politicians and bureaucrats,” Theo said.

“I know dozens of older Australians who will find their income slashed on New Year’s Day. I think the policy maker’s idea is that these people will ‘go quietly’ and not complain.

Similarly, those in Transition to Retirement are not the richest 4% of the population; they are ordinary working Australians who have also had the good judgement to take responsibility for building their own super savings. By my calculations, an average working Australian and a ‘fat-cat’ will both benefit around \$8,000 pa by adopting a T2R, with a little more going to the average wage earner. They are utilising this strategy legally and morally, but the government plans to reduce the amount they can put away by \$10,000 and imposing a 15% tax on their income.

Australian governments and oppositions should be encouraging every citizen to put as much money as possible into superannuation as soon as they can, for as long as they can. Transition to Retirement is about allowing older Australians to keep working in a less rigorous job regime while they contribute to super – and to the tax base.

A \$1.6 million account based pension limit is fine as this would provide each working Australian with around \$80,000 pa in income – therefore do away with the roadblocks and help people to get there!

Age is not a gift bestowed on everyone, but we need to stop thinking of older Australians as some kind of ‘financial enemy of the state’. They built this country, they paid for our education, they built our roads and hospitals and in return they deserve respect, dignity and praise. They do not deserve to have politicians continually cutting back their remuneration or self-funding strategies,” Theo said.

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