

OUR PLAN TO SUPPORT RETIREEES



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KEY POINTS

Retirees should enjoy choice.

The reward for a lifetime of hard work should always be a long, healthy and dignified retirement.

When you work hard, save and provision for the future, nothing should stand in the way of your freedom and independence.

That's what the Liberal and Nationals Government believes.

And that's why we're backing retirees to achieve their goals of self-reliance and fulfilment.

We will support retirees' independence and dignity.

We will ensure their savings are protected.

We will protect and expand access to self-managed super.

We will not undermine the value of their home.

We will not hit them with new taxes on superannuation.

We understand that not everybody will face the same circumstances or make the same choices later in life.

Our policies respect these differences: whether you're a self-funded retiree or a pensioner.

The same cannot be said of Bill Shorten and the Labor Party.

Labor thrives on conflict, including policies to turn retirees against pensioners.

Their devastating Retiree Tax is a \$57 billion tax grab that would hit over 1 million Australians.

This includes more than 900,000 Australians with direct shareholdings, 200,000 self-managed super funds and 1,800 super funds.

On average, these retirees would lose almost \$2,300 a year – and more than half of them are women.

Self-managed super funds would lose \$12,000 a year.

Labor claims their Retiree Tax will only slug the wealthy, but the truth is that 84% of Australians who would be affected are on a taxable income of less than \$37,000.

And 50,000 pensioners in self-managed super funds would also be hit.

The Liberal and Nationals Government believes in choice, freedom and dignity for all Australians



who have worked hard and played by the rules.

Our record shows that we can guarantee this – without new taxes.

Labor has no respect for those who have worked hard, paid taxes and planned for an independent retirement.

OUR PLAN

Our policies are already delivering for retirees and pensioners, and we have a plan to do more. We are backing self-funded retirees and pensioners by:

- **Guaranteeing no new taxes on superannuation.**
- **Improving flexibility of the superannuation system.** From 1 July 2020, Australians aged 65 and 66 will be able to make voluntary superannuation contributions even if they do not meet the current work test requirement to work at least 40 hours over a 30-day period in the year they seek to make contributions. For example, it means part time workers – such as a 65 year-old who works one day a week and who wouldn't meet the current work test – can now contribute to superannuation.
- Providing **wage subsidies and training incentives for mature age workers.**
- **Protecting and expanding access to self-managed super**, with a plan to extend the maximum size of self-managed super funds from four to six members – enabling more families to take control of their retirement savings.
- Widening choices in later years through an **expanded pension loans scheme**, giving around 1.8 million Australians the option to boost their income by drawing down on more of the equity in their own home.
- Allowing **contributions to super from the proceeds of downsizing**, up to \$300,000 for eligible Australians aged 65 and over.
- Continuing to give self-managed super funds the flexibility to borrow on a non-recourse basis to **help maximise returns for retirement**. In contrast, Labor has promised to ban this practice.
- **Stopping Labor's unfair Retiree Tax.** Currently, most retirees who receive share dividends get a (franking credit) refund on the tax they have already paid via the company in which they invest. By abolishing tax refunds on dividends, Labor's Retiree Tax would reach into the pockets of over 1 million Australians, many being retirees and pensioners, taxing them again.
- **Stopping Labor's unfair Housing Tax.** Labor's plan to abolish negative gearing as we know it will push down home values. An independent report found house prices will fall as much as 16 per cent, or around \$100,000, on a typical house in Melbourne.
- **Stopping Labor's plan for four new superannuation taxes**, which would hit around 1 million Australians.



THE CHOICE

There is a lot at stake at this election. And there is a clear choice.

A choice between a Government that is delivering a strong economy or a Labor Party that would weaken our economy. A choice between a Government that is fixing the Budget or a Labor Party that can't manage money.

A Shorten Labor Government would easily be the highest taxing government in the nation's history.

And when Labor runs out of money they come after yours.

When you take responsibility and save for your own retirement, Labor comes after your money.

*Bill Shorten now describes refunding franking credits as a "gift".
(Doorstop, 12 April 2019)*

Even though Labor supported this policy as recently as 2017.

*Of course, in Australia we have dividend imputation – a great Labor reform – which means that every domestic payer of corporate tax in effect gets it back. We actually refund our corporate tax to our domestic investors, something which is quite unique around the world and often gets lost in this debate.
(Chris Bowen, House Hansard, 11/9/2017)*

Bill Shorten and his Shadow Treasurer Chris Bowen want to punish Australians who have worked hard and saved for retirement.

Their arrogant response to those who would lose out from their tax hit? We don't care, vote for someone else.



*I say to your listener: if you feel very strongly about this, if they feel that this is something that should impact their vote they are of course perfectly entitled to vote against us.
(Chris Bowen, radio interview, 30/1/2019)*

Australian retirees, including the 50,000 pensioners who will be hit by Labor's policy, deserve to be treated with respect, not hit by unfair taxes.

Bill Shorten believes retirees are a piggy bank to be raided as part of Labor's \$387 billion tax assault.

By contrast, the Liberal and Nationals Government has a proven track record of respect for the independence, dignity and choice of older Australians. We will guarantee and protect retirement savings and superannuation.

