

Sir/Madam,

I do not have the correct name for the subject inquiry but would like to submit my views and suggestions for consideration.

Preamble

During the current global financial crisis the Federal Government has been supporting many groups in the community and business with the two stimulus packages and for that I can only applaud them for their bold initiatives and actions.

The packages contribute to most sectors of the nation but unfortunately there is no mention, let alone recognition of the plight of self funded retirees who are not entitled to any existing Government benefits.

But the Self Funded Retiree is suffering dramatically both in capital loss and also in the level of pension able to be claimed for day to day living.

Personally my wife and I have lost over one third of our capital and this will severely impact on our current standard of living and our future retirement.

In all the Government and Opposition statements there is no recognition of the SFR who thru hard work and diligent saving created a nest egg for the retirement phase of their life.

Suggestions

I am not gifted or well enough informed to make professional submissions but I have the following issues for your consideration

1. Access to the Health Card should be liberalised so that SFR's can gain benefits from the stimuli packages in the future
2. The Governments planned restrictions on the Health Card that will include lump sum withdrawals in the income assessment be scrapped so that only the pension income be considered
3. In granting tax concessions to the Government funded pensioners and disabled consideration be given to the SFR's who pay no tax and get no similar benefit.
 - a. We worked all our life to enjoy retirement and now see the system screwing us further
4. The current \$80,000 limit for access to the Health Card be modified to meet current conditions. As I understand the limit of \$80,000 was established over 10 years ago and is now out of date
5. Amendments are also required to the Pharmaceutical Benefits Scheme to provide greater access for currently private prescriptions. Many SFR's have enormous expense in paying for private scripts which are life saving or enable a better standard of life to be maintained . These scripts are not subsidised and this causes excessive cost to the individuals. The PBS should be expanded to cover a wider range of medications,
6. Other illnesses that are current in the community include Prostate Cancer but there is no Government recognition of the tragedy of this disease. The Government supports Breast Cancer but males are expected to suffer and die without equitable Government support

I trust you will consider my suggestions and incorporate them in the deliberations

Russ Erwin

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Further to my submission below I wish to add the following:-

Due to the Global Financial Crisis ALL Self Funded Retirees who relied on their superannuation investments w have seen the investment drop in the last 12 months by up to 50%. My own fund has dropped by 40%.

As a consequence I no longer have the funds available to fund my retirement as planned and this will cause a severe change in my expectations for the next period of my life.

One asset at present that is "secure" from the crisis is the family home but when, not if, I run out of super funds then the only alternative left is to sell the family home and downsize.

The downsizing will see an increase in funds available to live on but will attract tax on interest earned.

In effect 10 years after retirement with no tax on the superannuation pension I will be forced to submit tax returns and again pay tax on my financial assets with no facility to put the remaining cash, after purchase, of putting the additional funds into residential property or retirement facility (both would be "family home").

Suggestion

Consideration be given to amending the tax rules regarding the sale of the family home after retirement so that any surplus funds, after purchase of a new family home, be permitted to be placed in a Superannuation fund with the attendant benefits that applied to the previous superannuation.

Russ Erwin

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