



**independence
matters**

Australian
Independent Retirees

Australian Independent Retirees (A.I.R.) Limited

ACN: 102 164 385

**2026 STATE PRE-BUDGET SUBMISSION
to the Victorian Government**

Australian Independent Retirees (A.I.R.) Limited (known as AIR) is a national not-for-profit, non-political, volunteer organisation that works to advance and protect the interests and independent lifestyle of Australians in or approaching retirement.

Submitted January 2026.

INTRODUCTION

Australian Independent Retirees (A.I.R.) Limited (known as AIR) was formed in 1990. AIR is a national, not-for-profit, non-party-political, volunteer organisation. Members are Australian residents over 50 years old who intend to be or are fully or partly self-funded in retirement. AIR is the peak body representing the interests of retirees who have planned for a sustainable retirement, not wholly reliant on the Government age pension.

Income from superannuation, private savings or defined benefits pensions are all considered self-funding.

Members of AIR have a wide range of views. However, they all expect Government policies to be fair and non-discriminatory. It is in the interests of both Federal and State Governments to adopt policies which provide incentives for all retirees to maintain a reasonable level of retirement income in order to retain their independence, contribute to the economic development of the nation and to avoid becoming a drain on the public purse. The State can help by doing the right thing for people who've done the right thing their entire lives by paying their taxes and dues.

Fully and partly self-funded retirees need assistance given escalating costs, the increasing levels of inflation and the ever-uncertain world political and health situation. These factors continue to impact negatively on retirees who have limited opportunities to increase their income without added risk. Despite these factors, retirees make a significant contribution to the nation as taxpayers, family supporter, volunteers and interstate tourists.

From 2023, 43% of Australians at retirement age were estimated to be fully self-funded, compared with 22% in 2000. The remainder receive a full or part Age Pension.

The AIR in Victoria believes that it is essential for the Victorian Government to develop timely policies to cope with the economic impact of the demographic changes occurring in this state. Statistics indicate that the percentage of older people in the total population is gradually increasing. The Victorian members of AIR welcome the opportunity to provide these pre-budget priorities and request that they are given favourable consideration when the Government prepares the 2026 State Budget

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ISSUE 1: VICTORIAN PATIENT TRANSPORT ASSISTANCE SCHEME

The Victorian Patient Transport Assistance Scheme (VPTAS) covers some travel and accommodation costs incurred by rural Victorians when they travel more than 100 kilometres one way for specialist medical treatment. To be eligible, patients must live in a designated rural area and not be undergoing clinical trials or accessing allied healthcare.

One of the ramifications of difficulties with the staffing of hospitals is the potential decrease in some services at country hospitals. As a consequence of this, patients are frequently required to travel long distances to a larger hospital for investigation and treatment which was originally available closer to home. This can prove to be distressing and tiring for those who may already be in poor physical condition. People with major medical concerns should desirably not have an additional financial stress.

In order to take advantage of VPTAS, the patient must be more than 100km from the required medical assistance and must have a vehicle that they can drive themselves. The alternative to self-drive is public transport, which is frequently unavailable or inadequate for country residents.

Another alternative is the patient transfer service provided by the Australian Red Cross with volunteer drivers. This service is not available in a significant part of the state, due to a lack of funds to provide additional vehicles and to cover running costs.

Changes to patient transfer systems are essential for the well-being of many patients.

Recommendations:

1. In view of the above facts, together with a recognition of the need for improved services, that a complete review be conducted of the patient transport system.
2. That the car travel subsidy be increased from 21 cents per kilometre to the rate used by the Australian Taxation Office for private motor vehicles.
3. That the accommodation subsidy be increased from \$45 per night per person to at least \$90.
4. That the Australian Red Cross be provided with additional funds which are tied to the purchase of additional vehicles and to the cost of providing an efficient patient transfer service for areas not currently serviced.

ISSUE 2: LAND TAX

As part of the 2023-24 State Budget, the Victorian Government introduced a COVID Debt Repayment Plan. This included "temporary changes" to land tax and payroll tax, which are legislated to apply until 30 June 2033. This change to land tax, together with the massive increases in the cost of probate, is of great concern to retirees.

Many retirees have invested in property under the previous tax regime and now find themselves with large tax bills because of significant increases in property values, frequently making them asset-rich but cash-poor.

It could be suggested that they sell their investment property, but this would probably incur capital gains tax and they would no longer have a regular income from the rent. Another alternative could be to increase the rental charges to cover this new impost. However, the latter would be clearly against the interests of tenants at a time of cost-of-living increases. It would be much more equitable to widen the scope of the COVID Debt Repayment Plan to other services so that a greater percentage of the population contributed.

Recommendations:

1. That the present surcharge imposed on Land Tax as a COVID Debt Repayment plan be reduced.
2. That other Government services be asked to contribute to the COVID Debt repayment plan to replace the tax lost from Recommendation 1.

ISSUE 3: PROBATE FEES

The fee structure for the submission of an Estate for Probate has alarmed self-funded retirees. The fee structure is outrageous - and bears little relation to changes in the cost of living or to the amount of work involved in providing the service.

The Supreme Court of Victoria should be financed as a service to the community, with users to pay only for the cost of the work involved.

To claim that a "tiered fee structure is preferable to a fixed fee because the fee should be reflective of the private benefit that a court user gains from court services" turns the Probate fee into a Death Tax. The fee structure should only reflect the amount of work involved in providing the service.

In Melbourne, and many of the regional centres, any person who owns a house is basically a millionaire regardless of any additional investments. This means that the value of many simple estates will probably fall between 2 and 3 million dollars.

Consequently, it may be difficult for an executor to be able to fund the fees or even to refuse to become an executor because of the cost involved. To suggest that an executor could use a credit card to pay the fees is financially irresponsible, given the possible delay in granting probate and obtaining cash from the estate. Funding from the estate or paying after probate is granted should have been accepted.

Recommendations:

1. The Supreme Court of Victoria should be seen as a service to the community and therefore should be appropriately funded by the State Government.
2. The fee structure should reflect the amount of work involved and have NO relationship to the benefit to the estate.
3. The payment of fees should be delayed until after probate is granted.

ISSUE 4: MAINTENANCE OF VICTORIA'S ROADS

Reportedly, Victoria has the highest density of roads in any state of Australia. Maintenance is a critical part of running Victoria's road network. A functioning and well-maintained network supports safer and more reliable journeys for all road users, whether you are driving a car or truck, riding a bike or crossing the street. Maintenance is just one of the functions undertaken by the Department of Transport and Planning. The maintenance program is developed keeping in mind the life cycle of the road, nearby infrastructure and road upgrades, changes to road function or traffic patterns and any major works that are taking place across the road network.

However, due to a lack of maintenance, many of Victoria's roads are in poor condition, particularly compared to other states. Experts agree that a growing number of trucks on our roads and more extreme weather events brought on by climate change are inflicting unprecedented damage to the state's roads, meaning that a substantial increase in maintenance is required. Vehicles are suffering damage with shredded tyres, smashed suspensions and other significant problems from deep potholes. Instinctive swerving to avoid the latter can present drivers with potentially life-threatening situations.

Recommendation: Given the poor condition of many roads, particularly in regional areas, the Victorian Government needs to take the maintenance situation seriously to make the infrastructure more resilient to the various challenges. More work needs to be done to rectify the current problem situation and more resources allocated. The situation needs to be prioritised and treated with urgency. The safety of our population is paramount.

ISSUE 5 — NEED FOR NATIONALLY CONSISTENT RETIREMENT VILLAGE LEGISLATION.

We wish to commend the Victorian Government on the passing of the The Retirement Villages Amendment Bill 2025, planned to come into effect on 1 May 2026, which will help current and future residents make informed choices about entering, living in, and leaving a village of their choice. Victorians living in a retirement village will benefit from stronger protections so they can retire in comfort and with peace of mind.

Unfortunately, retirement village legislation in Australia is managed solely at the state and territory level, leading to significant variations in regulations across jurisdictions. Each state has its own Act designed to protect residents, but the specific rules on contracts, fees, and resident rights can differ considerably. This situation is unnecessarily confusing, particularly for people moving interstate. There is a desirability for state and federal counterparts to create nationally consistent retirement village legislation.

ISSUE 6 – NEED FOR ENFORCEMENT OF RULES CONCERNING E-BICYCLES AND SCOOTERS

We are concerned about the increased number of E-scooters and E-bikes on local footpaths/roads and the potential danger to pedestrians, especially seniors.

- Lack of enforcement of rules, particularly those concerning footpaths, seems to be a major problem.
- E-bikes, scooters and skate boards should be prohibited in pedestrian malls.
- A registration process with visible ID front and back on all electric bikes and scooters would aid in identifying wrongdoers.
- A warning sound when approaching pedestrians is vital, especially as many seniors have hearing issues.
- The increasing number of recent house fires caused by charging electric devices is also alarming. It would seem that greater government control over foreign imported devices is required. We would welcome an allocation of extra funds in the Budget to help with this issue.