



**independence
matters**

Association of
Independent Retirees

Media Release

WAGE INCREASE FOR THE WORKERS BUT AN INCOME CUT FOR RETIREES

“The Labor Party is seeking a real wage increase for lower-paid workers but at the same time will cut the income of self-funded retirees on similar incomes,” said Mr Wayne Strandquist, Acting President of the Association of Independent Retirees.

“The wage increase proposed by the Labor Party if elected is aimed to benefit just over a million Award employees. However the removal of Franking Credit cash refunds, the 50% increase in capital gains tax and limiting negative gearing to new housing, will seriously hurt just as many current or future self-funded retirees”, said Mr Strandquist.

“Imagine, if the Labor Party announced to union members that if elected, they will move to reduce their income by 10% or more - the whole country would come to a standstill,” said Mr Strandquist.

The national minimum wage is currently \$37,501 per year for a single full-time worker.

“For a self-funded retiree to receive \$37,501 from their retirement investments they would need to have around \$750,000 invested. Considering the average superannuation balance for those retiring now is closer to \$300,000, retirees are far from wealthy as claimed by the Labor Party and have incomes far below the minimum wage” said Mr Strandquist.

“The Labor Party has overlooked single self-funded retirees who are just over the age pension asset threshold of \$567,000. These retirees might be receiving around \$32,000 income including \$9,600 in franking credit refunds if they are lucky. This is well below the minimum wage yet they will still lose the franking credit refunds” said Mr Strandquist.

“With the removal of franking credit refunds, many low-income self-funded retirees will be forced to consider going on the age pension and The Association of Independent Retirees wants to know where is the ‘Fair Go’ in that?” asked Mr Strandquist.

For further information or for Media Comments please contact:

Wayne Strandquist - Acting President 0412 434 467

Email: wmstrand@bigpond.net.au

Terry O’Callaghan - Media Coordinator 0408 143 392

Email: terryoc@netspace.net.au

AIR website: www.independentretirees.com.au

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