

Dr Ken Henry AC
Chair Aurstraia's Future Tax System Review
The Treasury
Langton Crescent
PARKES ACT 2000

Dear Dr Henry

We are making a submission to the retirement incomes system review. The review that has been published is clear to read with others' submissions helping clarify our own thoughts.

As a couple, one of us works and the other has no income except for some dividends and interest. We believe that the non-working partner should be able to direct this income into superannuation via the co-contribution. Why should a non-working person be discriminated against especially as he has the desire to save.

For us, the BIGGEST and I repeat the BIGGEST problem with the entire submission is that you keep restating deferring retirement and continuing to work. Well, get intouch with reality. I am still in the working system but should I leave at 63, I would never get back again. My partner owns a business and if he quit tomorrow, he would have no job. I am a literacy teacher of many years experience. I am almost recession proof. My partner is a computer programmer and expert software engineer but when he approaches the job market, no one will even talk to him let alone nterview him. So please, heads out of the clouds here. We are not dunces and between us we have 5 university degrees. What about those over 60 who have no qualifications except experience?

We agree that the pooling of risks in superannuation funds is important. We wanted to work less this year but it will not be possible for at least two more years. We are very disappointed. We wanted to build a house, as we do not own one, but we have to wait now until when?

The rules are complex and intrusive. Even with 5 university degrees, we often despair when we try to understand retirement issues and we have been investors now for 30 years.

Lastly, we have been in and out of the work force. There were health issues. Then we decided to volunteer to assist families in distress in the outback. The work has been marvelous and the families have really appreciated us being with them, but we have forgone a lot of income. There was no SG, no co-contribution. And when one of us did earn some money, well, there was the tax. How about looking to volunteer work as really paid work.

Maybe older people who CANNOT get jobs even with good health and qualifications could be encouraged to volunteer to help others with a system of incentivies. These incentivies could include: Claim expenses aganst taxable income such as fuel to get to remote locations, vehicle and caravan depreciation expenses, and tax credits to be used at a later date when we decided to work for wages. Do not forget about that co-contribution for non-working folks.

We would really like a government department called the Geriatric Department and we want it staffed entirely with those geriatrics who cannot get a job anywhere else. That would solve the employment problem rather quickly. And yes, please, get rid of the word 'retirement'. It is demoralising, disrespectful, and redundant.

Yours sincerely,

Geoff and Ann Prudames [removed for privacy reasons]