



**independence
matters**

Association of
Independent Retirees

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RETIRES QUESTION RESEARCH FOR LABOR POLICIES

The Association of Independent Retirees questions the research undertaken by the Labor Party in developing a number of their policies including franking credit refunds, negative gearing and capital gains tax.

“The Association believes the franking credit cash refund policy must have been put together with very superficial research because very soon after its announcement, it was significantly amended to exempt hundreds of thousands of pensioners”, said Mr Wayne Strandquist, Acting President of the Association.

“Surely, a simple analysis of who had received franking credit refunds would have revealed the huge number of retirees who receive a part or full age pension and owned shares that would be affected by the proposed policy”, Mr Strandquist added.

“Clearly, if adequate research had been done on the impact of the policy on low-income self-funded retirees who just missed qualifying for a part age pension, the policy could have been designed to target those receiving much larger refunds,” said Mr Strandquist.

It would appear that inadequate research is not confined to franking credit refunds policy.

Mr Strandquist commented that “Labor’s negative gearing policy research has also been challenged with understating the percentage of investors who bought a new property, and therefore overstating the potential savings from the policy”.

The proposed increases in capital gains tax and the elimination of negative gearing on pre-owned properties are reportedly reducing the demand for property by investors and magnifying price reductions in many population centres. Lower property prices are hurting retirees who are downsizing or moving into aged care.

Again, Mr Strandquist said, “more detailed research on the impact of these policies would have identified unexpected consequences on retirees and lower revenue forecasts based on changes in investor behaviour”.

“It is concerning to read that policy details have been removed from the Labor Party’s website. With an election just around the corner, retirees want to see more policy detail not less,” said Mr Strandquist.

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