

Sir/Madam

Reading through the lines I understand the Government is planning changes to super to force people to take their (note 'their' - not the Government of the day or any other entity's) savings as an income stream.

I wish to comment that I feel this is wrong for two main reasons.

1. The greatest defence against financially struggling in retirement is to own your own home. Renting whilst on the state old age pension is a recipe for poverty, particularly for single people and most especially for single older women.

The average superannuation balance at retirement for Australian workers is realistically around \$150,000 (certainly not \$450k plus as the financial services industry misleadingly trumpets - this may be true for the professional classes but not for the average Aussie worker who continues to work in essential services to build this country).

With the cost of living in Australia being what it is, an income stream based on a \$150k lump sum would not give a single person 5 years of a dignified retirement with no associated Government support. Particularly not if they were renting. Meagre regular payments from such a low capital base would not make much difference to a retiree's quality of life. Far better that people access accumulated super earlier in their working life if their financial trajectory indicates they are not on track for home ownership at retirement.

2. Aside from this, why should it be the Government's role to dictate how someone can use their personally generated retirement savings? Surely someone who has worked 40 years plus in a low/average waged job - with the attendant stresses - deserves their super to buy a car, go on an overseas holiday, help their kids, whatever they choose. Eking out payments to retirees is patronising and paternalistic. Plus, no doubt, massive fees would be extracted by the financial services industry and paid by the worker for 'management and administration' - further reducing the net income for the worker.

Regards
Catherine Brown