

SENIORS SUPER HAPPY WITH SUPER EXTENSION

FOR IMMEDIATE RELEASE

National Seniors Australia has welcomed the government's decision to extend the halving of the minimum super drawdown rate.

Last year, National Seniors worked with the Alliance for a Fairer Retirement System to call for the temporary reduction in the superannuation minimum drawdown rate during the COVID crisis (as had been done during the GFC).

The government responded by reducing the minimum drawdown rate by 50 per cent and this was due to end on 30 June 2021.

The government has now extended the halved rate for the 2021-22 financial year.

"This is great news for self-funded and part self-funded retirees whose nest eggs took a big hit in the COVID Financial Crisis which followed the outbreak," said National Seniors Chief Advocate, Ian Henschke.

"I had an 87-year-old on the phone today who said it was the best present he could have received."

"It shows the government is listening to the concerns of older Australians which is always welcome," Mr Henschke said.

For someone aged less than 65 this means they will still be able drawdown as little as 2 per cent of their superannuation balance in an account-based pension, compared with the pre-COVID minimum of 4 per cent.

And, someone aged 95 or more will have a minimum drawdown rate of 7 per cent, compared with the pre-COVID minimum rate of 14 per cent.

"This extension will make a difference to many retirees who were worried about their future savings and income," said Mr Henschke.

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