



# Preparing financially for a longer and more secure life

The Government is helping Australians make the most of their retirement years by providing more choices to plan earlier, earn more, save more and live longer.

The Government's More Choices for a Longer Life Package delivers measures that encourage Australians to prepare their finances early, and supports them by improving flexibility for working, saving and spending.

### Pension Work Bonus

Expanding the Pension Work Bonus (Work Bonus) will allow more age pensioners to earn more income from working without reducing their pension payments.

The Work Bonus will be increased to \$300 per fortnight (up from \$250 per fortnight) and for the first time it will also be extended to the self-employed.

- Fact Sheet 3.1 Pension Work Bonus.

### An extra year to contribute to superannuation

The Government will provide more time for Australians aged 65 to 74 with a modest balance to boost their retirement savings, by introducing an exemption from the superannuation work test.

This exemption will apply where an individual's total superannuation balance is below \$300,000 and will permit voluntary superannuation contributions in the first year that they do not meet the work test requirements.

- Fact Sheet 3.2 Superannuation Work Test exemption for retirees.

### Pension Loans Scheme

The More Choices for a Longer Life Package expands the Pension Loans Scheme to give everyone of Age Pension age the option to boost their standard of living by drawing on equity in their own home. Full rate pensioners will be able to boost their income by up to \$11,799 (singles) or \$17,787 (couples) per year.

- Fact Sheet 3.3 Expansion of the Pension Loans Scheme.

### Making the most of savings

The Government will support a higher standard of living for retirees and expand retirement income options to meet changing retirement needs through its retirement income framework.

To encourage the development of new innovative income stream products, the Government is clarifying how these products are assessed against the Age Pension means test.

The Government will also require superannuation fund trustees to develop a retirement plan for members and offer a wider variety of products. Superannuation funds will also be required to provide more information to help consumers compare and choose products.

- Fact Sheet 3.4 Retirement Income Framework.