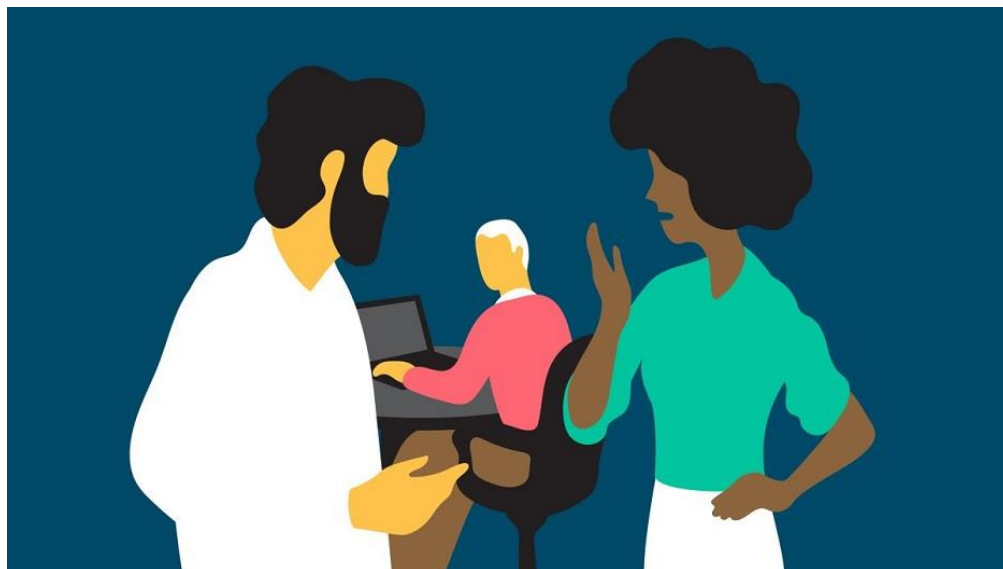


## THE VOICE of Pensioners and Superannuants online

22 September 2021

### Ageism, it's on for young and old: research



IN September, the Australian Human Rights Commission (the Commission) published the [\*What's age got to do with it?\*](#) report on ageism. The report summarises the results of national surveys and focus group and provides a snapshot of ageism in Australia.

According to the report 74 per cent of Australians have a positive attitude to older people, viewing them as ‘nice, likeable, warm and good listeners’.

However, there is a perception that older people are onlookers, rather than active participants in society. They are seen as having declining skills and lacking competence in areas like technology. Keep in mind these are not the views of the Commission but those of people surveyed as part of this research.

The report found that middle-aged people (40-61) were most likely to be turned down for a job based on age. This may reflect findings of other research that suggests the age at which workers are considered older is becoming much younger.

The Australian Human Resources Institute released a report on older workers that surveyed HR workers, experts and academics in April 2021. The report found that 51 to 55-year-olds were considered ‘older workers’.

A third of respondents estimated that between a quarter and a half of their workforce is made up of over 55-year-olds. Even though the workforce is

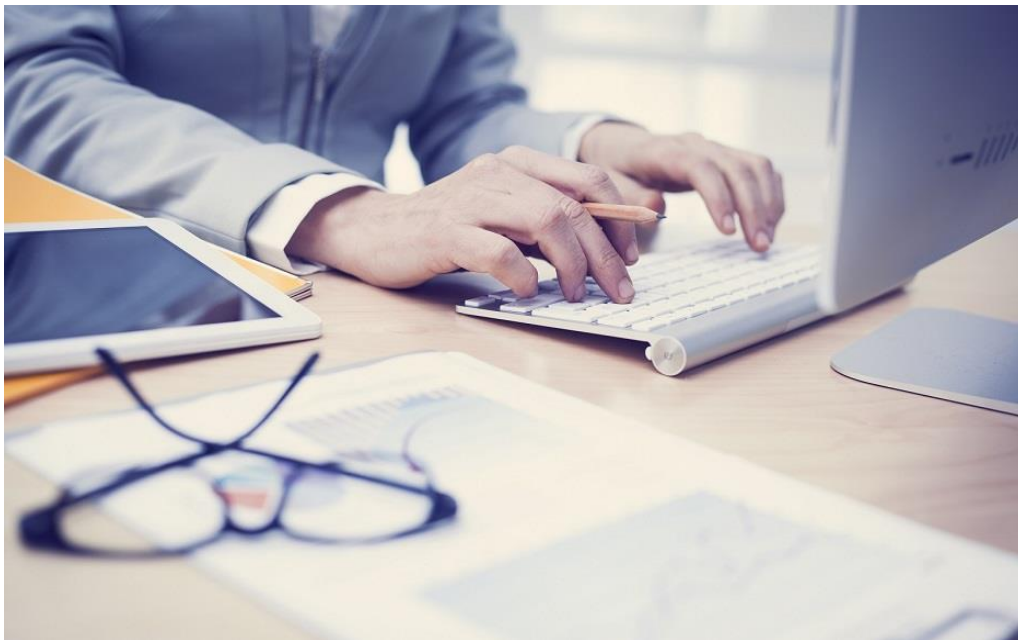
increasingly ageing, employees are being viewed as ‘older’ at a much earlier age.

It is important to have programs combatting ageing in the workforce. *Upholding the rights of older workers* developed by the Human Rights Commission and supported by the NSW Department of Communities and Justice is such a program. It provides free education resources about the value of older workers.

As for combatting ageism everywhere else, the Commission recommends talking about ageism more and fostering intergenerational education programs to reduce prejudice and bias in multiple settings. Evidence in the [\*What’s age got to do with it?\*](#) report finds that ageism is more socially accepted than sexism or racism.

People of all ages must begin to challenge ageist attitudes and remarks so that it is addressed with the same seriousness as other ‘isms’.

### **SMSFs: mates’ rates are out!**



SOON, from 1 July 2022, the ATO will become very strict about non-arm’s-length income.

If your SMSF is completely in pension phase, you can stop reading now. This is about the rate of tax your SMSF will end up paying. In pension phase you pay no tax.

But if your SMSF is still completely or partly in accumulation phase, this may be of interest.

It's always been the law that super funds, including SMSFs, must transact at arm's length.

For example, if the fund owns a house, it must be rented out at the going rate.

The ATO has now clarified that anything to do with this house must be done at arm's length.

For example, the tenant complains about a tear in an insect screen.

What would be more logical to ask the tenant to get a roll of wire mesh and fix the screen themselves, reimbursing them for the expense involved and keeping a copy of the receipt for tax purposes?

However, it's the ATO's logic which counts, and that logic says that a handyman would charge much more than the price of a roll of wire mesh. What you have engaged in is a non-arm's-length transaction producing a non-arm's-length benefit to your SMSF.

As a result, income generated by the fund's house could be taxed at 45 per cent rather than 15 per cent.

Down the line, if the fund sells the house, it may also be up for capital gains tax at 45 per cent rather than 10 per cent.

In such circumstances it would be wise to chuck the Bunnings receipt in the bin and make no mention of the repair in the accounts, although that would be illegal, too.

Had you, as the fund's trustee, repaired the screen yourself, that would have been fine with the ATO. As the trustee you can do those things, but if you get somebody else, it's non-arm's-length and you have to make sure the repair is done at the market rate.

Replacing an insect screen is an extreme example, but the same logic applies in the case of bigger jobs, like getting an electrician mate to put a couple of power points in for you, or a relative to paint the house at a reduced rate.

It also applies to getting your SMSF's accounts and tax return done. It must be at market rates, unless you do them yourself.

It's something to keep in mind.

## How sure are you that you will never move again?



DO you ever catch yourself saying that you will never move again or that they will have to carry you out of your home in a box?

If so, it's great that you are happy with where you live.

But chances are that, as you continue to age, your home will start to let you down a little bit or even a lot. You may be able to overcome this without moving or you may not.

You have to think about what could go wrong and think of things you would be able to do to make sure you can keep your independence.

It is good planning to look at the design and features of your home and think about what you can do to help you to be as safe and independent as possible.

Keeping your independence means not going into a nursing home.

To help you with assessing how well your home will allow you to keep your independence, CPSA has produced a booklet, *How sure are you that you will never move again?* This booklet aims to give you a list of things to consider about your home or any home you might be considering moving into. It's not exhaustive but is intended as an introduction to home accessibility and safety for older people.

CPSA enlisted the help of an occupational therapist specialised in advising people about the accessibility of their homes to put this booklet together.

Even if you are convinced that, whatever happens, you will be able to muddle through, you should read *How sure are you that you will never move again?* You might muddle better.

Home accessibility and safety are defined as the capacity of a home to accommodate the needs of people with limited mobility, reduced vision or other impairments.

The degree of the accessibility of your home affects how well you would be able to cope with mobility and vision issues that can develop as you age.

The degree of accessibility of your home also affects how socially connected you will continue to be, which is linked to your mental health and how well you feel generally.

*How sure are you that you will never move again?* is available [online](#) or, if you are unable to access it online, by ringing CPSA on 1800 451 488.