



TAKING NOTE OF ANSWERS IN QUESTION TIME AGE PENSION

By Senator Mathias Cormann on 17 September 2008

[Senator CORMANN](#) (Western Australia) (3:20 PM) —The Rudd Labor government do not care about pensioners. The Rudd Labor government do not care about the cost-of-living pressures faced by older Australians. If you want to find out what the Rudd Labor government think about anything, do not listen to what they say but watch what they do—and they do nothing. Other than setting up a committee, they do nothing. We now find out that the Prime Minister had comprehensive advice from the Department of Families, Housing, Community Services and Indigenous Affairs on how to help pensioners more than five months ago. What did they do? Nothing—they set up a committee. What a cynical smokescreen!

Before the election they were telling us, 'We're going to help working families with cost-of-living pressures.' What have they done since then? They have set up a couple of committees and some bureaucracies to watch prices go up. They should join us in practical initiatives like the \$30 a week increase in the single age pension, rather than this constant cynical manoeuvring and trying to hide behind yet another one of those bureaucratic processes that Kevin Rudd likes so much.

Not only are they not doing anything to put downward pressure on the price of petrol, groceries and all the other cost of living expenditure items but they are actually pushing up prices. The government in their first budget increased spending by \$15 billion and taxes by \$20 billion over the forward estimates. They have introduced a tax, which is before the Senate right now, that is going to impose \$2½ billion worth of additional tax on the North West Shelf gas project in Western Australia and that will push up the price of gas and electricity for families, pensioners and businesses in Western Australia. So, rather than bringing the price of anything down, they are pushing prices up. They have also brought in a measure to increase Medicare levy surcharge thresholds. Who is going to be hurt? Pensioners, who will be forced into longer queues and who will have to wait longer for access to public hospital treatment.

We heard again today this lazy criticism: 'For 12 years you did nothing.' Let me go through some of the things that we did when we were in government. We decided in 1997 to link the age pension to growing incomes—25 per cent of male total average weekly earnings—rather than to the cost-of-living increases, the CPI. We legislated for the age pension to be set to at least 25 per cent of male total average weekly earnings or to be increased by the CPI, whichever was greater. As a result of this, pensions are higher now than what they would have been. We increased pensions at two per cent a year above the rate of inflation. We introduced a utilities allowance to assist pensioners with the cost of utilities bills such as gas and electricity. We have done a whole range of other things. We were a government that took action. If we were still in government now we would be taking action. Quite frankly, rather than continuing to stall and hide behind committees and further inquiries, the Rudd Labor government should take some action. They should join us in committing to an increase of \$30 per week in the

base rate of single age pensions and they should support all of the other practical initiatives that we have put forward in recent weeks.

What we have had here today is yet another example of a government that do a lot of talking, that put a lot of rhetoric out there, but it is really all just a fraud. They tell you one thing and then do another and they think the Australian people are not going to notice. In the lead-up to the budget we were told for six or seven months that we had to fight inflation, we had to cut spending, that this was going to be a difficult budget, and that unless we made some tough decisions and cut spending it would be the end of the world as we knew it. What did we get? A \$15 billion increase in spending and a \$20 billion increase in tax revenue through new tax measures. This is pushing up inflation, not bringing it down. This is pushing up the cost of living for older Australians and pensioners in particular. This government should be ashamed of themselves. They should actually start taking the cost-of-living pressures that are being faced by older Australians in particular much more seriously than they are. Quite frankly, if they were fair dinkum about helping pensioners, they would make a declaration today, here and now, that they support our proposal to increase the single age pension by \$30 a week.