

The Secretary
Senate Community Affairs Committee
PO Box 6100
Parliament House Canberra
ACT 2600

t

27th JULY 2007

Dear Senators,

Please find herein information you may need to be used by the Senate Standing Committee to inquire into the Cost Of Living Pressures on Older Australians, both Pensioners and Self-Funded retirees as per your Terms of Reference.

- (a) **the cost of living pressures on older Australians, both pensioners and self-funded retirees, including:**
- (i) **the impact of recent movements in the price of essentials, such as petrol and food,**
 - (ii) **the costs of running household utilities, such as gas and electricity, and**
 - (iii) **the cost of receiving adequate dental care;**

The first of many financial pressures affecting an individual or couple of working or non-working elderly persons, pensioners and self-funded retirees would be when they read assumptions like this in their local-newspaper.

Start of quote:

- *"Retirees will need **\$627,581** to live 'comfortably' the quarterly Westpac and Association of Superannuation Funds of Australia (ASFA) retirement standard released last week indicated a couple who wished to live 'comfortably' during retirement would need a savings account of at least **\$627,581 to yield \$47,800pa**".*

End of quote

OR

Start of quote:

- Ms Bell said that there is broad agreement that people looking to earn an annual income of \$30,000 pa from superannuation would need to look to the following minimum funds in investment:
 - retiring at 55 to 60 years = \$500,000;
 - retiring at 60 to 65 years = \$450,000;
 - retiring at 65 to 80 years = \$350,000.

End of quote

OR

Start of quote:

- Ms Bell said, *"A single person's pension would be around **\$13,000**, while a modest income would be considered **\$18,000**, comfortable **\$40,000** and luxury **\$70,000**. For a couple the pension would mean **\$11,000** each, modest **\$13,000** each, comfortable **\$23,000** each and luxury **\$30,000 plus** each".*

Ms Anita Bell, author of eight books on 'HOW TO ACHIEVE FINANCIAL INDEPENDENCE' and uses information from the 2006 Australian Census as shown here previously.

1. Fear is the effect of the cost of living on older Australians. This has been and is a terrible shock to the 3.7 million working Australians [Census, 2006] living and working in Australia whether in the capital cities, regional cities and or country towns, *"How in earth can I retire if I have to have this much?" "I'll have to keep working 'till I drop". "I should have had superannuation 40 years ago!" "How could I contribute to super, when I can just feed my family?"*

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The cost of living pressures on older Australians, both pensioners and self-funded retirees including:

(i) **the impact of recent movements in the price of essentials such as petrol and food**

2. July 13th, 2007 – HIKE IN GROCERIES TO HURT HIP POCKET –

3. Household budgets are under a sustained attack with another round of supermarket price hikes inevitable. Milk prices soar by as much as \$0.50 per litre and a range of other groceries are set to skyrocket with industry figures yesterday claiming rising costs, including petrol and labour had forced their hand.
4. Federal Agriculture Minister Peter McGauran told *The Courier Mail* [Qld] that it was possible that the days of cheap food prices were over.
6. *"There's a worldwide trend to higher prices because of constraints on farming, and water, and conservation",* he said.
10. Food and Grocery Council chief executive Dick Wells said it was becoming increasingly difficult for growers and manufacturers to contain costs. Mr Wells added that higher food and grocery prices were an 'unpopular reality that people will have to expect if the supply is to be maintained'.
11. *"Costs for fuel, fertiliser, labour and other inputs have increased substantially, but the fact is that farmers and manufacturers along with the supply chain have been absorbing these costs for a long time",* he said.
12. Mr McGauran said the price hikes on supermarket shelves would be welcomed by farmers.
13. *"We all want to keep prices for families as low as possible but the reality is production costs for milk producers have escalated across the board, and increased at both a wholesale and retail level",* he said.
14. National Foods Ltd, the largest processor of dairy products, said that the price of milk at farm gate forced it to raise wholesale prices by 20-25%.
15. That was from *The Courier Mail*, July 13th, 2007, article by Jane Bunce and Alison Rehn

16. **MY SUBMISSION**

17. That the Government empowers the ACCC to investigate the validity or not of the wholesale and retail prices of all Australian fresh fruit, fresh vegetables, fresh red meats and fresh seafood.
18. That the Government regulate imported fresh fruit, vegetables, red meats and seafood and where the country of origin still subsidises its producers, add that subsidy to the retail cost of the product.
19. That the Government investigates which countries are still subsidising its producers, find for which food items, and have known to the public.
20. That the Government protects Australian produced food items especially red-meat and regulate the domestic retail price to suit the Australian low-income earner's budget.
21. That the Government add on the subsidised amount of the country of origin to each non-Australian produced food product selling in Australia. This should bring about retail food price parity for Australian produced and Non-Australian produced food products. This may encourage Australians to buy Australian produced food products because the price differences are negligible. But no Australian should go without having a 'fair-share', so the leftovers(money) goes to the Australian producers development and research funding program.

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(iii) the cost of receiving adequate dental care - as it is reported in the Senior's newspaper

31. It has been reported by Janelle Miles in May, 2007 that it is extremely difficult to obtain an appointment with a Queensland Health Dentist, and this problem is not getting better. She says that Budget papers show that Qld Gov. Dentists are performing tens of thousands fewer treatments than 12 months ago despite Queensland's continually growing population.
32. Also, these Budget papers show that Qld Health Dentists will provide an estimated 1.13 million treatments this financial year, which are 29,000 less treatments than 2006-7.
33. Treatments to school-age children are 588,000 compared with 630,000 in 2005-06. The cause for this situation the Qld Gov. has said was that there was a sharp increase in demand for emergency dental services, and that there are many vacant positions in the public service for dentists.
34. Q-Dentists will have performed an estimated 326,000 emergency treatments on adults in 2006-07 which is 36,000 more than in 2005-06. However, only 217,000 non-urgent appointments have been scheduled for adult patients for this financial year 2007-08.
35. Qld Budget for public dentistry services has increased by approximately \$5.7million to \$137.7 million this financial year which IS NOT enough to keep pace with the 1.5 % annual increase in population.
36. Qld Health now employs 350 dentists, but it still has vacancies for another 44, and mostly these vacancies are in regional and rural areas.
37. It has been reported as quoted by the Qld Health Minister Stephen Robertson that, "Queensland is paying the price for the Commonwealth Government's failure to provide enough university places for dentists over a number of years. No public dental service in Australia has enough public dentists to meet service demand".
38. However, the Australian Dental Association, Queensland president, Martin Webb is reported to have said on this matter that more is needed to be done by Qld Health to entice dentists to public clinics, and he called for better pay-rates, and giving public dentists private-sector practising rights to broaden the type of work they perform.
39. It is reported that he went on to say, "Dentists who work in the public sector are not happy mainly working on tooth-aches, and fixing up people in pain. As you could imagine, people in pain are obviously not happy, and they can be aggressive, and impatient, and unhappy with having to wait for treatment. With crisis care, people are only presenting when the hole's too big, the tooth is destroyed, and they need to either get major work like root-canal treatment, or they have to get the tooth extracted".
40. Also, it is reported that he said, "Continuing care or preventative care is the philosophy of private practice where problems aren't allowed to get out hand".
41. It is a matter of fact that private-clinic dentists earn tens of thousands of dollars a year more than their public sector colleagues, therefore making it monetarily unattractive.
42. It is reported that Mr Webb said, "The starting salary for a public dentist is about \$65,000 and a top salary is in the order of \$85,000. I don't know what the average is for a private dentist, but I've seen advertisements in journals for private practices offering \$120,000 plus.
43. It has been reported that Queensland's dental shortage is so acute, that even regions considered relatively attractive, such as Queensland's far north, had been unable to entice public practitioners. Mr Webb is reported to have also said, "There's one public clinic at Mossman not far from Port Douglas, which hasn't been able to attract any dentists to work there for over two years".

(iii) the cost of receiving adequate dental care - as it is reported in the Senior's newspaper

continued

44. It is reported that approximately 1.5 million Queenslanders, about 40% of the population are eligible for public treatment, including seniors and concession-card holders, and children aged 4 to 15 years.
45. **My Submission**
46. That the Government recognise that many seniors who 'treasure' their own teeth, and ARE NOT a member of a Private Health Fund, but have a Concession Card, and a Seniors Card can still attend a private-practice dentist as regularly as they can. But, their dentist DOES NOT acknowledge this, and they are charged the full 'schedule of fees'.
47. That the Government in these situations should introduce into their Medicare package at least a 50-80% subsidy for all dental costs as per schedule of fees, plus 100% subsidy for emergency dentistry work.
48. That the Government increase each year by 30% the student positions at all Australian universities with a Dentistry Faculty.
49. That the Government instruct everyone of these universities that graduating students must serve in vacant positions in a state or territory Dental Health Department and practice dentistry for more than two years before they are to be recognised for private-practice. A reduction in university fees for these graduates could be used as an incentive
50. That the Government encourage these identical graduating students to serve in an Australian Defence Force Arm and practice dentistry for more than two years before they are to be recognised for private-practice. A reduction in university fees for these graduates could be used as an incentive
51. That the Government provide positions in universities for all graduated dentists who have practiced dentistry for more than two years in a state or territory Health Department or in an arm of the Australian Defence Force for updating their skills.

The cost of living pressures on older Australians, both pensioners and self-funded retirees including :

- (b) the impact of these cost pressures on the living standards of older Australians and their ability to participate in the community;

A NEW COMMISSIONER FOR THE AGING - as it is reported in the Senior's newspaper

52. Seniors nationwide are 'jumping-with-joy' because after lobbying for years, they now have a representative. It definitely displays that there is a lot of 'cost of living pressures on older Australians, both Pensioners and Self-Funded Retirees' when they have had to resort to demand from the Government an 'independent arbiter' to make sure that their grievances are heard, and that they reach the desks of those in power to rectify those grievances.
53. It is reported by Marilyn Vale that a new independent Aged Care Commissioner has been selected by the Government to assist with defining the information and complaints from the aged, whether in supervised and institutionalised care or not. She will have no powers to enforce any recommendations she may make on behalf of the aged. Instead the commissioner's recommendations will go to the department or agency she is reviewing, with an annual report tabled in the Federal Parliament and regular contact with the Minister for Ageing. Commissioner Rhonda Parker, who officially started in office in May, 2007, has reportedly said that she didn't have any involvement in making the rules of her position, and they were decisions made by the Government before she was appointed, and that she did not have any comment to make on them.

A NEW COMMISSIONER FOR THE AGING - as it is reported in the Senior's newspaper - continued

(b) the impact of these cost pressures on the living standards of older Australians and their ability to participate in the community;

54. It is reported that Rhonda said, "I believe, above all else, that the success of the role of the Aged Care Commissioner will lie in the integrity of its independence. My office will be fair and impartial; it will conduct its duties without fear or favour. I have no intention of being a rogue commissioner, but neither will I be reticent".
55. Minister for Ageing, Chris Pyne has been reported as saying, "Ms Parker brings a wealth of experience and knowledge to the office from her background in education, government and management. The Aged Care Commissioner will also examine complaints about due processes used to investigate complaints and the conduct of Aged Care Standards and Accreditation Agency in undertaking their assessment of aged care homes".
56. It is reported that Ms Parker said that, another of the new function of office was the capacity to undertake 'own motion' examinations, and reportedly continued with, "For example, an investigation may be based on trend data or prompted by a number of calls providing information about a particular operational matter. This threefold role has been designed to significantly enhance the Government's capacity and that of its providers, to deal with information and complaints about the quality of care and services in aged care facilities that are directly subsidised by the Australian Government.
57. **MY SUBMISSION – More of the Aged, Pensioners & Self-Funded Retirees may find 'cheaper' to live in care.**
58. That the Government find some sort of compromise with the various utilities in each state to provide additional financial relief to 'cushion' the effect in the increase in fuel prices, food prices, gas and electricity prices and the rise on house and property rates. Some of the elderly, pensioners and self-funded retirees are compelled to be house bound because these increases have eaten into their savings etc, and they are fearful to spend their time and money on other things when their survival comes first.
59. That the Government provide additional funding to 'meals on wheels' and other volunteer 'home-assist' organisations without which, most of the house bound elderly have no social contact with "the outside world".
60. That the Government recognise and provide funding to those ethnic, sporting, and recreation organisations which take the elderly and aged pensioners away from their homes for a day, and give their 'carers', some mostly also retired live-in relatives some 'respite' for the day. Usually, 85% of the aged population (over 60 years) have one or two serious health problems, and or have mobility and mental disabilities which will only worsen.

(c) the impact of these cost pressures on older Australians and their families, including caring for their grandchildren and social isolation;

RAISING KIDS THE SECOND TIME AROUND - GRAND-FAMILIES CRY OUT FOR HELP

as it is reported in the Senior's newspaper

61. It has been reported by Anita Harvey that while more and more grandparents are taking on informal caring roles for their grandchildren, a growing number find themselves permanent carers for their grandchildren. Gaining recognition and support is proving a long hard battle.
62. She goes on to say that for most people retirement is something to look forward to when their working-life comes to an end and plans have been made. However, for many grandparents this is no longer a reality. Their own children may have moved out, but the grand children have moved in.

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RAISING KIDS THE SECOND TIME AROUND - GRAND-FAMILIES CRY OUT FOR HELP - continued

63. Traditional grand parenting roles cease to exist and issues of financial hardship, emotional strain, physical burden accompanied by school enrolments, childcare nappies and uniforms have again become everyday worries the second time around.
64. There is a constant struggle with Government bodies to obtain assistance, and when a little is forthcoming, it is inadequate.
65. Some grandparents have taken over full-time care for their children and their living standards have had to be adjusted to suit the new and unanticipated situation. The costs of these situations are causing financial hardships especially when they have moved to smaller accommodation like a two-bed room retirement village. They have invested the majority of their savings in their new environment and have not enough to buy bigger to suit their 'second-family' growth. Also, their savings-budget now has to extend much further to cater for the new family-members and therefore their superannuation pension if they have one, will not last as long as they predicted.
66. This situation is far from uncommon. In fact, 2003 Australian Bureau of Statistics figures recorded that there are 22,500 grandparent families.
67. In Queensland, as at December 31st, 2006, the Department of Child Safety recorded 1,122 kinship carer-families, headed by 367 grandparents.
68. Grandparents often have to struggle to find a balance between the choices of either to remain informal and carry the costs themselves or take legal action against their own children to be awarded custody of their grandchildren by judgement that their children are unsuitable to raise their grandchildren. What a predicament to get financial assistance?
69. In Queensland, financial assistance is left to be addressed at a Federal Government level through CentreLink benefits such as the Family Tax Benefit and Grandparent Child Care Benefits. It is not a payment for grandparents, but it is a payment for all low-income families with children.
70. It is reported that it is here that groups and services dedicated to grandparents raising and or assisting to raise grandchildren take a consistent stance, calling for a uniform benefit and assistance for grandparents in this situation.
71. 'Kincare' chairperson, Maree Lubach said that the assistance available depended on the way in which the child came into the grandparent's care.
72. A Department of Child Safety spokesperson said when parental responsibility was placed through it, and if the grandparents were assessed as being the most suitable carers under the Child Protection Act, the Department provided assistance through a fortnightly 'caring allowance'.
73. NSW holds a similar situation through the Department of Community Services. *"However, if a grandparent takes it on their own initiative to intervene and take on the fulltime care on an informal basis, or through the Family Court, they receive nothing", Ms Lubach said.*
74. Grandparent support officer with the NSW Council on the Aging (COTA), Prue Fairlie, said that this was where the problem lay as the states and Federal Government pushed the responsibility back and forth. She said, *"The difficulty is that we are dealing with two different issues, one state, the other Federal"*. Also, she said that she does not know why it can not be worked jointly.
75. For the past six years COTA NSW has focused on grandparents raising grandchildren fulltime. In 2003, it undertook a national research project funded by the Federal Government.

RAISING KIDS THE SECOND TIME AROUND - GRAND-FAMILIES CRY OUT FOR HELP - continued

76. The resulting twenty one recommendations focused on fulltime grandparent carers as a special group requiring help in the areas of finance, medical, respite, social and legal-assistance.
77. Ms Fairlie said that so far there had been minimal progress however various states had acknowledged the issue. *"Although there is a long way to go, acknowledgement is a step in the right direction"*, she said.
78. Why is the grandparent-carer whether fulltime or part-time issues not rightfully recognised?
79. It is reported that Prue Fairlie said that it came down to two things. *"The first is the lack of political incentive , and the second is that this is a minefield situation where it is so hard to find correct figures"*. She said.
80. Although the Australian Bureau of Statistics has presented statistics, COTA along with many other organisations including Kincare, believe this number is largely under-represented.
81. It is reported that Ms Fairlie said that lack of accurate information, along with guilt and shame at their situation, and mistrust in the 'system', prevented many grandparent-carers coming forward.
82. COTA last year received a grant to develop an information package for fulltime grandparent-carers. The resulting website, www.raisinggrandchildren.com.au provides essential information on financial, legal and social services.
83. It is reported that Older People Speak Out (OPSO) president Val French, said that along with looking after another family fulltime and diminishing savings, there was the additional scenario of traumatised children. Many have faced physical and emotional abuse, neglect, drug-addicted parents and in some cases family deaths.
84. Also, it is reported that Brenda Howell agrees with these observations, and has cited the case of her grandson. *"Like so many in his situation who have come to live with their grandparents, they have been through trauma and are broken, and it is up to the grandparents to put the pieces together so they can get on with being our futures generation"*.
85. Grandparents had their own added trauma when they saw their own children as the perpetrators of distress on their grandchildren.
86. OPSO and Kincare and COTA NSW believe that there is an important need for medical and psychological care for both parties, and hope to have a grandparent criteria established under the 'Carers Allowance'.
87. Although COTA has been told that there is no possibility of a specific benefit being developed for grandparent-carers, each group is optimistic that the subject is on its way to being recognised.
88. The growing number of support groups surrounding these issues has suggested the possibility that the 'taboo' effect was slowly disintegrating, however, there is still a long way to go, but the surface has been scratched. These issues are on their way to being recognised and we can just keep yelling, screaming and jumping up and down until people take notice, and authorities become more sympathetic Ms Lubach is reported to have said.
89. Another situation which has not been recognised is where either grand-parent or a grand-parent couple look after under-school age grand children before they go to 'play-group', kinder-garden and or preschool and afterwards and up to 6.00 pm before either parent returns from their daily work. The parents can not afford fulltime day care.

RAISING KIDS THE SECOND TIME AROUND - GRAND-FAMILIES CRY OUT FOR HELP - continued

90. Some parents even, if both are working five days per week only bring in less than \$70,000 pa gross between them, and with other financial commitments CAN NOT afford to have their children in 'childcare' every day of the week. For example, the childcare opens at 0700 hours and closes at 1800 hours, and they want their child cared for 9 hours each day for 5 days at \$15.00 per hour, this equates 45 hours multiplied by \$15 per hour and equates to \$675 per week... Their combined gross income is only \$1,346.15 per week and they have not paid the mortgage, yet!
91. Anyway, again this where the grandparents become part-time carers for their grand children, thank goodness.
92. For example, a parent or a couple may only afford childcare 3 days per may be Monday, Tuesday, and Wednesday, and are fortunate enough to be able to use the childcare from 0900 hours to 1500 hours which equates to 4 hours per day, which equates to 12 hours per week at \$15 per hour, and this equates to \$180 per week
93. It is the grandparents who will be available these days to liaise between the 'child-carers' and their grand children while their parents are working. It is the grandparents who are lucky enough if retired, to take and pick up their grand children from childcare 3 days per week return them home; feed them; bath them; and ready them for bed while waiting for either or both parents to return from work. On days where the under-school age children DO NOT attend their childcare, it is the grand parents who will foster them all day until their parents are available. For example, they may care for them on Thursday and Friday from 7am to 6pm which is 11 hours per day.
94. Therefore, in this example or scenario, the grand parents may look after their grand children from Mon and including Wednesday, 5 hours per day [15 hours], plus Thursday and Friday at 11 hours per day [22 hours], which equates to 37 hours per 5 day week which is identical to the Commonwealth Public Service hours of employment where they have a 36 hour and 45 minute week and receive an average of \$53,000.00 pa!
95. So, some grandparents are saving the Australian taxpayers over \$53,000 pa and are paying from their savings, pensions, and their superannuation to look after their grandchildren.
96. **WE NEED FOOD ON THE TABLE - as it is reported in the Senior's newspaper**
97. NSW has established a form of financial assistance with the Non-Parental Care Allowance which grandparents in an informal care-arrangement may be eligible for through the Department of Community Services.
98. It is not an entitlement. It works on assessment-based criteria and is a means-tested, time-limited allowance.
99. The South Australian Government took a step forward last month (May, 2007), legally recognising grandparents acting as carers for children with the establishment of the INFORMAL RELATIVE CAREGIVER'S STATUATORY DECLARATION.
100. Queensland has moved on the strong need for respite, developing the TIME FOR GRANDPARENTS initiative which offers financial assistance to grandparents raising their grandchildren outside formal arrangements with the Department of Child Safety.
101. It is reported that Brenda Howell said that although this initiative was fantastic, it along with benefits such as Child Care, did not put food on the table, and were not really of any benefit to people like her.
102. She said that while the Queensland Government was willing to pay up to \$434 per fortnight for a child in state care, it was unwilling to recognise the need for grandparent carers to receive financial assistance.
103. Brenda has taken the matter into her own hands and is continually writing to the Queensland Minister for Child Safety.

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WE NEED FOOD ON THE TABLE - as it is reported in the Senior's newspaper – continued

(c) the impact of these cost pressures on older Australians and their families, including caring for their grandchildren and social isolation;

104. The reply remains that the Queensland Government does not plan to change its position. Where the Department has no involvement, it maintains the responsibility for income support remains with the Australian Federal Government.
105. **CARER'S 'WISH LIST' IGNORED - as it is reported in the Senior's newspaper**
106. This budget has left Carers Australia *"extremely disappointed"*, according to its president Ben Chodziesner.
107. The peak body had put in a lot of work submitting a 'wish list' which was completely ignored.
108. Carers Australia had also formed a new support group with the 2007, March launch in Canberra of the Parliamentary Friends of Carers.
109. The Parliamentary Friends listed 26 Federal politicians who joined, and the association said at the time that it would off a bridge to government which had not existed before.
110. But although the bridge has not paid off yet, Mr Chodziesner is optimistic and hoped some issues might reappear in the lead up to the election. *Maybe it is a case of 'A Bridge Too Far'.*
111. *"We would be very disappointed if we lost them all", he said, "And it was an opportunity for other political parties to pick up on issues".*
112. *"The ALP also received copies of our budget submission and are looking at some issues", he said.*
113. The group wants improved financial security for carers, health initiatives, strategies to assist carers to remain in the workforce, and a national carer framework.
114. Mr Chodziesner said that there were about 2.6 million carers in Australia with 500,000 of them being primary carers. Only 400,000 received the carer's allowance of \$94.
115. He said that this money did not compensate for the cost of the care or opportunities lost by the person giving the care.
116. And of the 2.6 million, only about 100,000 carers received the carer's payment, which was about the same as the Aged Pension.
117. Mr Chodziesner said that the carer bonus was welcome, but carers deserve more. He said the government had proudly trumpeted modest increases to respite funding while largely ignoring measures designed to improve the lives of carers.
118. *"It is particularly disappointing given the huge surplus (\$13.6 billion) that more could be done for some of Australia's most deserving citizens", Mr Chodziesner said.*
119. *"There are a lot of big numbers being thrown around, but none of them close to the \$30.5 billion family carers save the economy each year. We were expecting a budget that would be family friendly. We thought we would hear announcements that would look to the future, there is nothing for family carers in this regard".*

120. **DON'T GO IT ALONE – as it is reported in the Senior's newspaper**
121. Loneliness and social isolation are critical issues facing Australia now and in the years to come.
122. The Australian Bureau of Statistics figures revealed that almost half (44%) of older-person households (over 65 years) were lone person households
123. These statistics are almost 4 years old, but further research last year found the number of lone person households was projected to increase from 1.6 million in 1996 to 2.4 – 3.4 million by the year 2021.
124. The report published this year (2007) looked at ways of reducing the risk of social isolation for elderly people.
125. The evaluation report of the Neighbourhood Contact Program is the result of a trial conducted in Sydney last year by NOVARTIS Pharmaceuticals and Macquarie branch of the National Seniors association. During the program, an older person was paired off with a younger volunteer from NOVARTIS.
126. The pairs were given the chance to get to know each other, keep in touch and organise outings together.
127. The aim was to look at ways of reducing the risk of social isolation for older people and establishing greater connections in the local community.
128. There are many programs to foster social interaction among the younger generations, but the older Australians are often forgotten.
129. If programs like these are sustained, then it will go a long way in helping alleviate some of the loneliness that many fearful and older Australians are experiencing.
130. Initiatives like these programs are more or less in place with the many volunteer organisations caring for the elderly in an effort to communicate more and help reinvigorate Australia's diminishing sense of community
131. **MY SUBMISSION**
132. That the Government use part of its \$13.6 billion 2006-07 Budget surplus to inject some cash into the volunteer organisations assisting our community, for example, COTA, Kincare, and OPSO to name a few.
133. That the Government provide CentreLink with an \$8 billion top to its existing budget to service the needs of clients referred to them through the volunteer organisations assisting our community as like these named here.
134. Or that the Government provide each of these volunteer organisations with a budget amount each of these organisations requires so that they can control and put to use this money where they think it is needed most.

A LETTER FROM A CONCERNED AUSTRALIAN

135. *"As a self-funded retiree who still pays income tax, the Medicare Levy, private health insurance and GST, I approached my local Member of the House of Representatives regarding the lack of indexation of the Commonwealth Seniors Health Card income limits.*
136. *It was suggested that I approach Centre Link so I wrote a letter to Centre Link on August 31st, 2006, followed by a hastener on October 23rd, 2006.*
137. *I finally received a reply on October 25th, 2006 in bureaucratese, which did not really address my stated concerns.*
138. *My local MP suggested that I should write to the Minister for Human Resources.*

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A LETTER FROM A CONCERNED AUSTRALIAN - continued

139. *I did on November 10th, 2006 and received a reply on December 4th, 2006 from the office of the Minister for Families, Community Services and Indigenous Affairs.*
 140. *It would appear that no provision was made in the legislation to link the thresholds with CPI or any other benchmark.*
 141. *There appears to be no problem with indexation of the Age Pension and some other Federal Government provided benefits.*
 142. *In the meantime, my disposable income is being eroded by increasing council rates, the increase in the CPI, the increases in the costs for tradesmen to do household renovations; the 10% GST increases the burden; and the excesses of petrol prices".*
 143. The \$500 bonus to older Australians who receive the Utilities Allowance or Senior's Concession Allowance left many self-funded retirees out of the largesse and they felt doubly disappointed because they missed on the bonus and because there was no indexation of the Commonwealth Senior's Health Card, which has not been increased for three or four budgets
 144. Why did the Disability Support Pensioners receive nothing, when for the majority it is their only source of income?
 145. Why did the Aged Pensioners whose only income is the Aged Pension be treated as the same as the Aged Pensioners who had additional income and the Self-Funded retirees?
 146. There are inequities between people who received their retirement incomes from only their superannuation funds, and those retirees who received their retirement incomes solely or partly from outside their superannuation funds.
 147. Retirees living on superannuation funds had no taxable income so they get the Health Card, but those living on investments outside of superannuation funds had taxable incomes and are not eligible for the Health Card.
- (d) the adequacy of current tax, superannuation, pension and concession arrangements for older Australians to meet these costs; and**

148. MY SUBMISSION

149. That the Government, after two Senate Commissions accept the recommendations of these Commissions and enact them immediately to have all Self-Funded Retirees, those receiving retirement pensions from the CSS, PBS and all Commonwealth Departments including the Australian Defence Forces.
150. That the Government review all pensions and have them linked with the greater of the two, either the Consumer Price Index or the Male Total Average Weekly Earnings index.
151. That the Government uses part of the \$13.6 billion 2006-07 Budget surplus to fund the costs for these changes for No. 149 and No. 150.
152. That the Government provide a Commonwealth Health Card to all self-funded retirees earning less than \$25k pa solely from their self-funded superannuation pension even though they may have other investment incomes.
153. That the Government uses part of the \$13.6 billion 2006-07 Budget surplus to provide a Health Card to those retirees living on investments outside of superannuation funds.
154. That the Government uses part of the \$13.6 billion 2006-07 Budget surplus to provide Disability Pensioners whose sole income is from this pension FREE pharmaceuticals OR a lower 'safety – net', for example \$200.00 per annum.

MY SUBMISSION - continued

155. That the Government recognise that all Disability Pensioners require regular medications and therapies to maintain their standard of living, especially, if they are restricted or limited in mobility and or have other medical conditions that prevents them from doing fulltime paid work, and or require home assistance, and that the current concession rates and arrangements do not provide enough for this.
- (e) **review the impact of government policies and assistance introduced across all portfolio areas over the past 10 years which have had an impact on the cost of living for older Australians.**
156. **As much as 30% of the cost of a house is imposed by governments and councils: low income earners hit**
157. Australia is the richest it has ever been, so why can't young people buy a house?
158. Elderly Australians living in their own paid-up homes are loath to sell up and buy into a 'retirement' village for themselves because some of the elderly worry about their younger family members, either their children or grand children getting a home of their own. Some of these elders arrange to have their homes valued and or sold to raise a deposit and or buy a home for their young ones. Many a 'granny-flat' has been added to the children's home after granny has sold hers to assist with the financial responsibilities of the young ones. Some of these elderly grannies have been compelled to return to the workforce to help their young ones secure the house that they want but can not afford without granny's help. Either as a financial-backer, or as their 'built-in' child minder and housekeeper, these elderly folk use their equity in their homes to help pay for the property their young ones can not afford on their own
159. The median house price in Brisbane has escalated to almost \$400,000 and the average loan is now about \$300,000. Renting in Brisbane has jumped to an average of \$320 per week, and according to some charities, nearly 40% of Australians are stressed about house repayments. Young people are spending more than 30% of their net-income on either rent or mortgage payments.
160. For a typical first-home mortgage in Brisbane for instance, a couple may be paying more that \$2,000 per month!
161. Millionaires who bought a home for \$1.35 million in a well established area, for instance within 5kms from the capital city GPO would have to pay about \$47,000 or 3.54% of the cost in stamp duty, but those who bought a home in the newer outer suburbs 15kms from the capital city GPO for \$460,000 there is \$62,000 in taxes and charges, and that is 13.4% of the costs. The outer-suburb council charge the housing developer who passes the costs onto the home-buyer. A suggestion to stop this 'unfair' situation is to have the outer-suburb council pay for the infrastructure through debt, which is then paid off in rates. The upfront cost of the home would be drastically reduced, and while rates may rise, the infrastructure bill would be paid off by that community over a twenty to twenty five year period.
- (e) **review the impact of government policies and assistance introduced across all portfolio areas over the past 10 years which have had an impact on the cost of living for older Australians.**
162. **MY SUBMISSION**
163. That the Government did not and has not done enough to give the ACCC the 'teeth' to prosecute and convict finance companies as like the Fincorp Group of Companies and assist and protect the small investors building their retirement 'nest-egg' under Australia's disclosure-based financial laws and regulations.
164. That the Government has deliberately ignored the recommendations of Senate Committees especially when they changed the way the Aged Pension and Parliamentary Pensions are indexed.

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165. **MY SUBMISSION - continued**

166. That the Government when taking over the funding of universities did not increase enough positions for students in every faculty to prevent the shortage of professionals we have now which cause access problems for all older Australians, especially medical and dental.
167. That the Government when warned of potential rising costs in food production did not reintroduce 'the producers research and development agricultural and animal-husbandry fund' to assist Australian food produces as like many other countries around the world.
168. That the Government had known of the increase demand for more public housing and did not inject enough and a sustainable amount to prevent the shortages we have today.
169. That the Government knows of seafood-poaching in Australian and Australian territorial waters on a much larger scale than Indonesian fishermen, but has not embarked on using a fleet of sea-going ships to patrol the waters concerned.
170. That the Government in its willingness to foster big business and businesses generally, have not created enough Australian apprentices and Australian expertise to do National Projects like to provide water and its associated infrastructure from the rain-drenched catchment areas of northern Australia to the drier southern land areas to provide a sustainable food producing area. It could be achieved in stages with short and long term effects.
171. That the Government does not have a target or goal to have 'real' employment [\$54,000 pa average] for 70-80% of all working Australians.

Yours Sincerely

Wayne C KOCH