

Dear Sir

With due respect I would like to make my submission to the Senate Inquiry into the cost of living for older Australians.

Notwithstanding the recent grant of \$500 to pensioners, the treatment of Aged Pensioners seems to be one of second class citizens. Pensioners at present consist mainly of people who struggled for years through World War 2 and the Korean War suffering hardships, working and paying taxes throughout their working lives. Whilst the present generation may insist they are paying taxes at a higher rate to support a non contributory population they are misguided.

Many of today's pensioners are among the many unpaid voluntary workers that save the Australian Government many thousands of dollars.

Despite all the rhetoric that is put out by the governing parties there has been no real benefit made to pensioners for the introduction of GST which has a great effect on the fortnightly pension at many various levels to numerous to mention and I am certain the Senate Committee would be aware of when and where the GST is applied.

A couple of examples to mind are firstly the Pharmaceutical Allowance which commenced at \$2.50 per fortnight was at that time equal to the cost of one prescription, over the years this has risen minimally to \$2.90 whilst prescriptions have risen to \$4.90 (minimum) whilst the cut off to qualify for free scripts has also risen dramatically.

The rate of rates subsidy (which the Federal Government say they cannot do anything about) was last increased in 1992 by both State and Local Government where especially Local Governments have increased the Rates by far more than CPI over the years, for example mine have increased from \$900 to \$1450 over the last two years with a further +\$100 to come this year. At this rate which is never unlikely to stop we shall soon be forced from our own home.

The rate of pension at 25% of male total average weekly earnings as applied to the single rate of pension (therefore not all pensions) reduces pensioners to below the recognised poverty line. Especially given the recent two rises given to the 'lowest paid' workers, which from a pensioners view has made no difference to the MTWE.

In fact the figures for the MTWE seem to depend largely on what the Government wants to make them, if they want to show how well they are doing the MTWE is higher whilst when it comes to pensioners obviously the MTWE is much lower.

Whilst it is understandable that the Government should want to encourage an increase in family size to accommodate the future, it is very hard to see so much money thrown at Families and Family Allowances whilst the Aged Pensioner, Disability Pensioner and others receive nothing. Today's pensioner struggle through the years bringing their families up in hard times with little or no such reward so therefore find it hard to understand why working families (a lot of both parents) also working only are receiving extra benefits.

This also has an effect on prices because Food and Petrol prices rise in line with these increases and the stores do not discriminate or care who can or cannot afford them.

I challenge any of the committee to maintain their dignity when comparing prices for meat and the like till they can find one they can afford or even do without.

I strongly believe that in view of the amount of extra income that the Government derive from such as the GST and selling of Public Assets that it would be no hardship to increase the pension to 30% of MTWE for ALL pensioners

Aged and Disability after all the current Government has introduced a Futures Fund to protect future Public Service Pensions.

The rise in the Allowable Asset level means nothing to most pensioners, and after working in Centrelink I am well aware that it does advantage those who have been self sufficient to qualify including those who rightly qualify because of reduced income and others because of creative accountancy, and these whilst the Government is saying that sometime in the future they will be unable to fund pensions.

Finally we pensioners do not want anything other than the right to live comfortably, luxuries are not required for a comfortable life, but the dignity to be treated as people who have contributed in the past to make this country the great one it is

Yours Respectfully

Brian Smith

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