



Pensioner Relief Package

Help for Single Pensioners at a Time of Financial Stress



Canberra**liberals**

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If elected on October 18, a Canberra Liberal Government will take immediate action to fill the void left by the Federal Labor Government in their treatment of single aged pensioners in Canberra.

While the Federal Government dithers with its review of the crisis, a Canberra Liberal Government will make a one off cash injection of approximately \$4.5 million dollars to provide relief for single aged pensioners. Federal Labor have already voted down legislation in parliament to provide early financial relief to pensioners. It is plain they will not act in any hurry.

The Canberra Liberals' *Pensioner Rescue Package* will provide to a payment \$500 per single age pensioner living in the ACT. This is intended to provide relief over the Christmas period, prior to the Federal Labor Government making decisions on its pensions review.

The Canberra Liberals acknowledge that this is a Federal issue. However, we also believe that inactivity through the guise of a review is not acceptable.

The Canberra Liberals have no intention of standing by and waiting for the Prime Minister to take action. We will provide the immediate relief that is needed in the community right now.

This payment of \$4.5 million is not to replace the responsibility of the Federal Government. However, the assistance can and will make an immediate difference to people who are clearly struggling with the basic living expenses that many others take for granted.

Pensioners under Strain

Single aged pensioners live on just \$273 a week. Single pensioners usually live alone and do not have anyone to share their cost-of-living expenses with. They find it a real struggle to make ends meet at a time when the costs of living have gone up in line with overall wage increases.

A recent survey by the Council On The Ageing showed precisely the pressure many older Canberrans are living under and the sacrifices they are making to their health and standard of living just to make ends meet. There are thousands of single aged pensioners in the ACT that are being forced to go without medical attention and have adjusted their living expenses in a desperate attempt to match the increasing cost of living. These individuals are facing the prospect of help still being months away, if at all.

The findings of the Council On The Ageing survey are extremely concerning. In the ACT alone some 700 survey forms were completed. Some of the findings are summarised below.

Health Impacts

- About 100 had ceased their private health insurance, even though this is the time in life when they most need it.
- Half of those without health insurance had previously had coverage in a fund, but had to cease their membership because of rising living costs.
- One in eight had reduced or ceased medical treatment, because they could no longer afford it.
- A third said they were buying less food, or buying cheaper food or changing their diets. Over 200 had changed their diet, particularly by cutting spending on items like meat and fruit.
- More than 300 have reduced their use of heating, including by going to bed early to limit their electricity bills.

Social Impacts

- Forty percent of the senior Canberrans questioned in the survey had reduced social and recreational activity in the previous twelve months.
- Sporting and recreational pursuits were hardest hit. Social clubs like Rotary, Lions and CWA also faced a loss of participation by senior members who were stretched financially.
- One quarter limited their visits to friends, to avoid the costs of travel across Canberra.
- Two in five were reducing their contribution to volunteering activities.
- Around 30 people had sold their car as a cost saving measure, which means a major loss of mobility.

Accommodation Impacts

- Almost half of those who were home owners were concerned about their ability to manage rising costs.
- Almost a quarter saw themselves eventually moving out of home.
- One in seven were considering reducing maintenance and letting their houses deteriorate, to save on costs.
- Another 30 people were in a situation of rental stress.

The accounts of those who participated in the Council On The Ageing survey tell a story of senior Canberrans struggling to afford the basics of life and to make ends meet financially.

“My teeth are falling out but I can’t afford the dental fees.” (Age 69)

“It’s too late for me. I would like a new pair of good leather shoes.” (Age 78)

“I would not survive without help from my family.” (Age over 85)

“I eat less meat and only eat rissoles and sausages.” (Age 57)

“Limit myself to one cup of coffee every fortnight ... I do not drink, smoke or gamble!” (Age 80)

The Canberra Liberals have listened to these accounts and we have looked at what can be afforded from the ACT Budget to bridge the gap until the Federal Pension Review is complete.


We recognise that pensioners are among those in our community at greatest risk of living in circumstances of deprivation. The recent increases in costs of food, electricity, water and rates have all put a huge strain on many pensioners and pushed some to the limit.

The Way Forward

A new Canberra Liberal Government will seek to bring forward distribution of the \$500 payment as soon as possible. Payment of the amount in a single sum will be administratively easier and less expensive than staged payments.

We will negotiate with the Commonwealth to seek to make the payment directly into the bank accounts of single pensioners through the regular payment system at the earliest opportunity. Failing co-operation from the Commonwealth we will look to simple low-cost methods to process the payment locally, including through applications at the ACT Government shopfronts.

	2008-09 \$000	2009-10 \$000	2010-11 \$000	2011-12 \$000
\$500 lump sum payment to single pensioners	4,500			



This lump sum also recognises that single age pensioners are often getting behind financially and many therefore have a range of needs which this assistance would help them get on top of.

There are no illusions that \$500 will solve all the problems, but it is meaningful relief until the Federal Labor Government finishes its review and does something. This assistance will help single pensioners with some basic necessities that might otherwise be unaffordable on a fortnightly payment - like buying a new pair of shoes, or getting a filling at the dentist, or paying an electricity bill.

More is needed. A Canberra Liberal Government will urge the Federal Labor Government to re-order its priorities to find some assistance.

And we will argue against proposals that are detrimental to the financial interests of age pensioners and other senior Australians. Through COAG and through government-to-government communication we will oppose changes that increase health insurance premiums for older Australians.

We will also urge the Federal Labor Government to change the method of indexation for pensions, so that pensions increase by whichever is greater out of the Consumer Price Index, 25 per cent of Male Total Average Weekly Earning, or the Living Cost Index for Age Pensioner Households.

In Government, the Liberal Party took practical steps to improve the financial position of pensioners. As a result of linking pensions to whichever was greater out of wages or inflation, the maximum single rate of pension is now \$72.80 a fortnight higher than it would have been.

It was also the Liberal Government that expanded eligibility for the pension, while introducing the Utilities Allowance and Seniors Bonus.

A Canberra Liberal Government will do what it can to give single pensioners in the ACT a fair go. We call on Federal Labor to now pledge to do the same.