

COMMONWEALTH SENIORS HEALTH CARD

Grievance

MR D.A. TEMPLEMAN (Mandurah) [9.13 am]: I grieve this morning to the Minister for Seniors. The minister is aware that I represent an electorate in which a significant number of seniors live; in fact, that number is over and above the national and state average. When issues are raised regarding the interests of seniors, I take a great deal of notice and interest.

The subject of my grievance today was sparked by an article that I read recently in *The Australian Financial Review* by Annabel Stafford on 20 May titled “Libs renege on seniors’ concessions deal”. The article reported that the federal government has broken a 2001 election promise to extend state concession benefits to the holders of the Commonwealth Seniors Health Card and in the process has, in its most recent budget, snatched back \$335 million that had been allocated for this purpose. The article reported also that in addition to renegeing on the \$335 million for seniors concessions, the federal government has also snatched back \$25.4 million that it pledged to give seniors transport concession across the country. That would have allowed seniors concessions for travel irrespective of their state of origin. Ms Stafford reported that the justification for the federal government’s decision to renege on its election commitment was the states’ refusal to partly fund the promises by picking up 40 per cent of the cost of the commitment. I am very disappointed by these decisions by the federal government, although I am not necessarily surprised.

The purpose of my grievance this morning is to ascertain from the Minister for Seniors what steps the state government has taken to negotiate with the federal government to avoid these decisions being made. Has the state government refused to pick up the 40 per cent of the costs of the commitment, as the federal government claims? I wish also to seek information on the impact these decisions will have on the state’s finances. These decisions were decided upon and agreed to and have cost implications for Western Australia. As the minister is aware and as I said, the electorate of Mandurah has a huge number of seniors. Many of those seniors receive the commonwealth pension and many others are self-funded retirees. The Peel region, and Mandurah in particular, is experiencing a large influx of people who are choosing to retire to that area for lifestyle reasons. They are Commonwealth Seniors Health Card holders.

I move in many circles in my electorate, as the Deputy Speaker is well aware. Obviously the issue of concessions is important to self-funded retirees and those who receive pensions. The state government is committed to seniors. It has introduced a range of initiatives during its term to ensure that seniors are recognised and acknowledged for the contribution they have made to the state. Pensioners and self-funded retirees have specific needs, and consideration should be given to their health and wellbeing. I am aware of the commitment by the minister and the state government to ensure that Western Australia’s seniors live with dignity and independence and that we respond to the public policy challenges posed by the reality of Australia’s ageing population. That is a big issue for this country. A range of state government initiatives has demonstrated that. Despite the efforts of the state government, it appears that on an increasing number of issues the federal government is taking an arrogant and dogmatic approach to its relations with the state and territory governments. That approach can be seen in the federal government’s proposal to take control of the state’s industrial relations system and in a number of other issues whereby the federal government is directly and blatantly attacking the state’s rights. We regard the federal government to be arrogant and power drunk.

The hypocrisy of the federal government is evidenced by it extolling its virtues as a government interested in the needs of senior Australians. One of the biggest issues seniors talk to me about is the goods and services tax, which was introduced by the Howard government and which they hate. Despite all the federal government’s rhetoric, it does not stack up. I would like to know whether the Minister for Seniors was surprised by the Howard government’s most recent about-face regarding seniors concessions in the latest budget. Ultimately that places a further burden on the state to ensure that seniors are looked after. The Howard federal government introduced the goods and services tax. It also introduced a \$500 increase in the cost of a modest funeral. That is basically a death tax. The Howard government once offered a four per cent increase in pensions, only to claw back half of that increase the following year from the adjustment for inflation. That basically short-changed pensioners by about \$7 a fortnight.

All the evidence that I have presented this morning demonstrates that the Howard government is not serious about providing quality services for senior members of not just my community but the entire Australian community. I am very disappointed by this move by the federal government in its recent budget. It saddens me to think the federal government would do this. However, I understand we are playing our part, and I ask the minister to provide me with answers to the questions I have posed and highlight the differences between what we are doing for seniors and what the federal government is not doing for seniors.

MR R.C. KUCERA (Yokine - Minister for Seniors) [9.20 am]: Before I respond to the member for Mandurah's grievance I wish to acknowledge, as this is National Sorry Day and Day of Healing, our Aboriginal brothers and sisters. I wish to lay the colours of our Aboriginal brothers and sisters on the table of the house for the remainder of this day's sitting, if I may.

The DEPUTY SPEAKER (Mrs D.J. Guise): Yes, the minister may.

[The colours were laid upon the table of the house.]

Mr R.C. KUCERA: I thank the member for Mandurah for his grievance and for his longstanding commitment to improving the quality of life of seniors, particularly those in his electorate. The member for Mandurah is a tireless advocate for the seniors groups in this state and has been instrumental in setting many of the policy directions that we have set in this vital area of public policy. I am aware of the article by Annabel Stafford printed in *The Australian Financial Review* of Friday, 20 May titled "Libs renege on seniors' concessions deal". The member for Mandurah asked three questions in his grievance. The first question was: what steps has the state government taken to negotiate with the Howard federal government to cause it to change its decision in its most recent budget to renege on its promise to provide \$335 million to extend state concession benefits to holders of the Commonwealth Seniors Health Card? The second question was: did the state government refuse to pick up 40 per cent of the cost of that commitment. The third question was: what impact will the decision by the Howard federal government to renege on the \$335 million in funding have on the finances of the state of Western Australia? In the short time available to me I will try to answer those questions.

This is a fairly complicated issue, but it is underpinned by the simple fact that the federal government has reneged on its promise. In May 2001 the commonwealth budget contained a commitment to open discussions with the states to extend pensioner concessions to the holders of a Commonwealth Seniors Health Card. Members will be aware that seniors who earn up to \$50 000 a year, and couples who earn up to \$80 000 a year, are eligible to obtain a CSHC. Western Australia acted in good faith on this commitment by the Howard federal government, and in July 2001 we introduced a package to expand concessions to the holders of a Commonwealth Seniors Health Card to include things such as free drivers' licences, concessions on motor vehicle registration, a 50 per cent discount on local government rates, discounts on energy and water charges, and airconditioning rebates for seniors in the north of the state. Those concessions went right across the board. Since that time we have tried to engage the Howard government in discussions to finalise negotiations for funding the extension of concessions to the holders of a Commonwealth Seniors Health Card, but with no success whatsoever.

My predecessor wrote to the commonwealth Minister for Family and Community Services in January 2005 requesting that she provide answers to the following questions: what level of funding is being offered to Western Australia; what is the intended term of the agreement should negotiations be finalised in the first half of this year; and will the funding be quarantined from the Grants Commission assessments so that it cannot be taken into account in the distribution of goods and services tax revenue? As the member for Mandurah pointed out, seniors most of all, and particularly pensioners and self-funded retirees, are getting absolutely hammered by the goods and services tax. Members can imagine my surprise when I learnt - via the media, I might add, and the federal government budget papers - that the federal government has decided unilaterally and without warning to discontinue the negotiations and remove from its forward estimates the \$335 million it had earmarked to fund the concessions. That has gone; it has disappeared in a puff of smoke.

The second question asked by the member for Mandurah was about the claim by the federal government that Western Australia was not prepared to pick up 40 per cent of the cost commitment. Nothing could be further from the truth. The Western Australian government implemented the extension of concessions in 2001 and picked up not 40 per cent, but 100 per cent of the cost of that commitment. Therefore, it is an absolute untruth - were I not in this place, I would call it something else - for the Howard government to claim we have not picked up our 40 per cent. The decision is, as the member for Mandurah rightly pointed out, typical of this arrogant Howard government. The Howard government made a commitment to the states and territories and then walked away from that commitment without even the courtesy of giving me, as the minister responsible for this area, an explanation. I had to read about it in the newspapers.

The third question asked by the member for Mandurah was about the impact on the finances of the state of the decision by the Howard federal government to renege on the \$335 million in funding. Members will be aware that each and every Western Australian man, woman and child provides a subsidy of around \$1 500 a year to the other states and territories through the various taxation and state grant arrangements. This state is able to do that because we are blessed with an environment that has an abundance of natural resources, and with highly skilled workers and a spirit of endeavour that is now driving this great nation of ours. However, in spite of this remarkable effort, the Howard federal government is unwilling to return to us a fair share of funding to help us meet the needs of our population, particularly the needs of the most disadvantaged groups in our population.

Without that \$335 million the Western Australian government is limited in its ability to provide further concessions to both pensioners and the holders of a Commonwealth Seniors Health Card. Despite this, we have continued to expand our services. The latest commitment that we have made - it will be reinforced in today's budget - is that from 1 July 2005 all pensioners will be entitled to free ambulance services. This will cost the state government around \$14 million a year of hard-earned taxpayers' money. There is not one penny from the federal government to support that measure.

Mr J.E. McGrath interjected.

Mr R.C. KUCERA: I am very pleased there is unilateral and bipartisan support for that measure. That is wonderful to see. It is a great shame members on the other side of the house do not point out on a regular basis the fact that the Howard government continues to renege on the commitments that it has made to some of the most disadvantaged people in this nation. Unfortunately, it seems we have been let down yet again by an arrogant and uncaring Howard government. The Gallop government supports and values our seniors, the same as we support and value the indigenous and traditional owners of this land. We will continue to support them in spite of the arrogance of the Howard government.