



FEDERAL POLICY: SENIORS

(Social Security)

SECURITY IN RETIREMENT

Australians of mature age should be classified as seniors and should be entitled to receive appropriate benefits. They should not suffer demeaning categorisation such as Pensioners, Aged, Older person etc. Those who have contributed through the Social Security Contribution levy, upon reaching retirement age, should be entitled to their full pension without assets test and free health and medical benefits. They should also be encouraged, not hindered, in developing any supplementary secure and independent source of income for their retirement.

SENIORS

- One Nation proposes all Australians over the age of 55 be classified as seniors.
- All seniors who have contributed through the Social Security Contribution levy, upon reaching retirement age, will be entitled to their full pension, without assets test.
- One Nation will lower the retirement age option to 60 for all, as due to Coalition government policies, many jobs have been lost. Many have been made redundant, and due to age, have little or no chance of another full time job. Lowering retirement age will save further hardship.
- Free Health and Medical care for all seniors during retirement.
- One Nation will introduce a National Superannuation Fund in competition to private funds to which all will be encouraged to contribute to as a secure and independent source of additional income in retirement, to supplement their Social Security Pension.
- One Nation will encourage all commercial interests to provide discounts to senior card-holders including major retail groups and fuel retail outlets.
- Social Security Pensions to be indexed quarterly with indexation based on a 'basket of goods' more representative of seniors spending, including fuel.
- Re-introduction of widow's pension, especially war widows.
- With regard to GST and unfair taxes on the extra services those seniors require in advancing years of retirement, tax reform will replace these and also protect savings for retirement.
- Senior Card discount concessions to be provided on all public services eg transport, phones, licences, registration fees, rates, passports, etc.
- One Nation will cap the value of seniors' family homes and investment properties at the original purchase price so as to protect them from spiralling inflation at a time when their incomes are restricted. This will save them from having to divest of their assets or being forced into the hands of the banks.

BACKGROUND BRIEFING

The Australian Government currently categorises seniors as aged under the portfolios of Benefits and Payments (Social Security) and Health. In 1976, Australia had 1.3 million people over the age of 65 = 9% of the population. By 1998, this had increased to 12% or 2.2 million. By 2016 it will be 16% or 3.6 million. Seniors, during their working lives, have contributed much to this country. Many will go on doing so. But all should be entitled to financial security in their retirement. This includes a retirement pension and health care. The following is a short history on the retirement pension.

THE PENSION SWINDLE

The Old Age Pension Bill of 1908 to the Aged Care Act 1997. The Bill of 1908 is included in the powers under section 51 (XX111) of the Commonwealth Constitution and was non-contributory. The old age pension was paid out of Consolidated Revenue. There were a number of amendments over the years, but the most important occurred in 1945. In this new legislation (Act No's 39 and 40 of 1945) a contribution was to be collected on all incomes on a certain scale, also in 1945 PAYE was introduced which coincided with the introduction of the Social Services Contribution Assessment Act 1945-1947 Levy. This procedure for collection was made easy by incarnating both into the Income Tax Return and this was indicated on the form. This continued until 1965 when Social Services Contribution was dropped from the return. **But the levy was not.**

Money incomes were rising during the period up to 1950 and minor changes were made which allowed the decrease in the rate of progression on several occasions whilst the maximum rate of contribution was raised in July 1949. Enter Mr. Menzies with his package of tax reform that saw the contribution and tax collection merged. This was brought about by Act # 52 of 1950. "The Menzies Government was thus able to impose taxation which reached as far down the income scale as the social services contribution". Known as "The National Welfare Fund". The Act #65 of 1954 came into force on the 1st of July 1954 and appropriation was made out of consolidated revenue (where all collections were now going) this was to be equal to the amount paid out of The National Welfare Fund. Thus it put to rest the idea that people were contributing to their age pension which was to be paid as a **RIGHT** without any means test. It was their money, saved as it were, for the future. This final amendment to the legislation meant the end of any ability to relate payments for pensions to amounts collected.

From 1910 pensions were paid out of taxation collected from the people.

From 1946 pensions were paid out of taxation PLUS a further tax.

The aged pension was self-funded by contributions and continues to this day. Actuaries have worked out what the pension entitlement was worth from governmental statistics. Today it is worth over \$800.00 per fortnight (\$20,800 pa). It is a great insult to all seniors when politicians sprout forth in a repetitive manner that today's taxpayers are funding retirement pensions. It's a blatant lie and to add insult to injury, Keating introduced an assets test.

One Nation will lower the retirement age to 60 for all, as due to Coalition government policies, many jobs have been lost. Many have been made redundant and due to age, have little or no chance of another full time job.

One Nation will introduce a **NATIONAL SUPERANNUATION SCHEME** to compete against the private funds to supplement the pension. The recent collapse of HIH Insurance exposes the inability of the regulatory authorities to act to prevent company mismanagement. This puts many small investors in super funds at risk. There are far too many funds. Contributors' funds are eaten away by management fees and director's exorbitant salary packages and perks.

Investor's funds are subject to the vagaries of the market place or incompetence of company directors who are quick to bail out when problems occur. They usually leave with exorbitant financial packages leaving the investors to whistle for their meagre amount of hard-earned money. Today our dollar is worth just three cents of the value it had in 1966 and prior to the Whitlam/Fraser era. Every worker has lost 97 cents of the real value of their dollar. As for savings, life assurance and superannuation, the dollar only buys one thirtieth of what it did back then. That is why senior Australians are concerned about becoming very poor in the land of plenty. The Liberal / Labor governments are only concerned about their own retirement benefits whilst our economy and our dollar continue to decline.

Suddenly you find out the \$500,000 superannuation payment you hoped to get has devalued and shrunk so much with management fees that it won't even buy the equivalent of a family car. What happened to the governments' promise to provide the pension health card to those on allocated pensions? It is not their fault that assets tests have not been adjusted to keep up with inflation. The government however forced the GST on seniors. This affects them most as it applies to services at a time of life when they depend more on help. The GST, in effect, ensures that seniors are paying for the generous benefits those politicians award themselves. One Nation stands for equality and will ensure those retirement benefits and pensions apply equally to all. One Nation will introduce the Debit Tax to replace GST. Senior individuals and families on welfare will be taxed at the rate of \$1 per \$100 on monies spent; therefore the current average pensioner on \$200 per week would pay only \$2 tax if they spent the whole of their entitlement.

It would also mean

No assets test, no deeming, no heritage tax, no tax on savings and no tax on superannuation. Seniors will no longer have to pay tax on their investments or their capital gains, only 1% of their bank account debits and there will no longer be any GST on their spending. Federal Treasury figures reveal that 66% of senior retirees are on the pension which costs \$14.4 billion pa. The Debit Tax would provide sufficient income to enable restoration of pensions, elimination of the assets test and free health care. The Debit Tax would cover the cost of a national disaster fund, eliminating problems caused by the collapse of badly managed insurance companies (eg HIH).

ONE NATION PROPOSED RETIREMENT SCHEME

We propose returning to section 51 (xxiii) of the Commonwealth Constitution and "The Old Age Pension Bill of 1908" and amendments. This will ensure a basic federal scheme that is fully funded over one's complete working life, providing an adequate income for all on retirement. The funds from the scheme would be available for investment into important national projects. Eligibility for retirement will be reviewed, with age lowered to 60. There will be no assets test for the basic pension. Tax-exempt superannuation, either national or private, will be available for the provision of a little extra during retirement. We will provide equality for all retired seniors, providing them with all the federal and state benefits and concessions they have earned and are entitled to.

A recent survey by the Salvation Army found poverty levels in Australia amongst the highest in the developed world.

One Nation wish to ensure that this does not happen to our seniors. We will provide them with the dignity and security that they have earned and are entitled to during their retirement.

Edited and formatted

By

Andrew Webber Federal Policy coordinator NSW



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Join One Nation and help fight for a brighter future for our country.

nswonenation.com.au

Phone/Fax (02) 9709 2332

PO Box 4213 Lugarno NSW 2210

e-mail: onenation@nswonenation.com.au