



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

BILLS

**Social Services Legislation Amendment
(Fair and Sustainable Pensions) Bill 2015**

Consideration in Detail

SPEECH

Monday, 22 June 2015

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Monday, 22 June 2015
Page 6967
Questioner
Speaker Morrison, Scott, MP

Source House
Proof No
Responder
Question No.

Mr MORRISON (Cook—Minister for Social Services) (12:04): Before I move these amendments, I simply give an explanation for the amendments that are before the House. They take account of a number of matters that occurred in the other place earlier today. The abolition of the seniors supplement and the retention of the energy supplement for those on the Commonwealth seniors health card has passed the Senate, which will deliver further savings to the budget of over a billion dollars. As has been reported, as a result of the arrangement that is agreed between the Australian Greens and the government, which I table for the benefit of the House, matters regarding the assets test rebalancing, which is part of this bill, will be supported by the Australian Greens in the Senate.

As a result, we are moving that schedules 1, 2, 4, 5 and 6 be removed from this bill. Those schedules, which have not yet been considered—and, as a result of these amendments, will not be considered—by the Senate, will be reintroduced as other bills before the House; in particular, the defined benefits income streams, which the opposition have indicated they will be supporting as well. That will provide further opportunity for some \$450 million in savings to be put forward and to be able to assist with the budget task, which is considerable.

I also note that the amended bill that will go forward from this place with the support of the House puts forward an increase of \$30 a fortnight for pensioners on the lowest level of assets. Those opposite are going to vote against a pension increase of \$30 a fortnight for those on the lowest and most modest level of assets. That is what those opposite are doing. Over 170,000 pensioners will get a pension increase as a result of this bill. That is why these measures have been supported by ACOSS, UnitingCare and the Council of the Ageing in particular—and also the Australian Greens, I note. It is because it is good policy. Those opposite have left a vacuum in terms of their position when it comes to good policy, and it says something when the Australian Greens occupy the vacuum left by the Labor Party on policy. That says a lot about what is happening on that side of politics. It is all about politics; it is not about policy.

The government listened carefully to the response to the measures that were introduced in the 2014-15 budget, and we have reframed a new measure in consultation with stakeholders and in consultation with other members of parliament, in this place and the other place, to come up with this very sensible measure. It is a sensible measure which delivers savings to the budget but also delivers a fairer and more sustainable pension for those who most need it.

It is quite interesting that those opposite will vote against a pension increase for a couple with assets of up to around \$451,000—a pension increase. If you have assets of up to \$451,000 or thereabouts and your own family home, you would be getting an increase in the pension. Secondly, if you are a single homeowner with assets of up to about \$289,000, you would get an increase because of the expansion of the assets free area. More than 90 per cent of pensioners either are not affected by this change or get an increase in their pension.

But if those opposite are really serious about the hyperventilation we see them carrying on with in this place and that we saw last week, if they are really serious that they believe that this is such an unfair change, then what they should do in this debate, in this place or at another opportunity on this day, is say that they will reverse these changes at the next election, because these measures do not take effect until January 2017. If they really believe it, then they should commit to reversing the measures. If they do not, what we know is this is just another hollow commitment from a very hollow opposition leader who is hollowing out the Labor Party, day by day by day.

We have seen the division among those opposite on this measure. They are torn asunder as the Leader of the Opposition falls further and further to the left and further and further to the politics rather than the policy. He is a man who is pulling himself down, because he has opted for politics over policy. He has opted for the politics of division on his own side of the House rather than recognising good policy when he sees it. It is up to the opposition to show how genuine they are as they come to the dispatch box and deplore these measures. If they are serious about it, they will reverse it. The cost is over \$4 billion.

I move:

- (1) Clause 2, page 2 (table items 2, 3, 7 and 8), omit the table items.
- (2) Schedule 1, page 3 (line 1) to page 5 (line 19), omit the Schedule.
- (3) Schedule 2, page 6 (lines 1 to 16), omit the Schedule.
- (4) Schedule 4, page 24 (line 1) to page 35 (line 7), omit the Schedule.
- (5) Schedule 5, page 36 (line 1) to page 42 (line 22), omit the Schedule.
- (6) Schedule 6, page 43 (line 1) to page 49 (line 9), omit the Schedule.