

## **BUDGET DELIVERS RELIEF BUT NOT REFORM**

**Tuesday 29 March 2022 – FOR IMMEDIATE RELEASE**

National Seniors Australia welcomes funding to relieve rising living costs but is disappointed with the lack of longer-term structural reform to make the pension system simpler and fairer.

Chief Advocate Ian Henschke said Australia's peak body for older Australians is also pleased there are additional funds for residential aged care but disappointed with lack of targeted measures to help people receive in-home care and eliminate the wait list.

### **One-off \$250 payment**

"Pensioners and Commonwealth Seniors Health Card Holders welcome the Federal Government's **one-off payment of \$250** to help with soaring cost-of-living prices. However, if a landlord increases rent by as little as \$5 a week, this money is gone – and rent is only one example," Mr Henschke said.

"National Seniors Australia has long called for an Independent Pension Tribunal to ensure the pension rate is adequate for all, and not used as political football to kick around at elections."

### **Fuel Excise cut by 22.1 cents a litre from midnight**

Mr Henschke said older Australians welcome the Federal Government's 6 month cut in the **fuel excise** to blunt skyrocketing petrol prices. Another option is to work with state and territory governments to deliver free public transport for seniors, as the South Australian and the Tasmanian Governments are doing.

### **Superannuation drawdown**

Mr Henschke said older Australians, especially those with limited super, welcome the 12-month extension of the 50 per cent reduction in the minimum drawdown to help ease worry in these uncertain times.

"Many older Australians don't understand why they're forced to withdraw set amounts of savings from superannuation. They worry this will erode their nest egg and therefore their income later in life, when they face unknown medical and aged care costs."

### **Let Pensioners Work**

National Seniors Australia is surprised the Federal Government hasn't taken the opportunity to **let pensioners work** by exempting employment income from the Age Pension Income Test. This measure would also provide billions of dollars to boost GDP.

Mr Henschke said this policy is strongly backed by business and the wider community. It would have been a game changer for pensioners with limited savings who don't see the point in working when they lose 50 cents in the dollar *plus tax* if they do more than one day's work.

“If Australia had the same participation rate as New Zealand – there’d be as many as 400,000 additional pensioners in the workforce. It’s a missed opportunity to solve workforce shortages, boost incomes and Australia’s GDP at a crucial time.

### **Aged Care**

An extra \$28 per bed per day is being provided for better food and more hours of care in residential aged care. However, National Seniors is disheartened with the lack of further investment in home care.

“While the government has significantly cut the waitlist over the past three years, it’s in danger of going backwards if there are not enough workers to meet demand. An additional \$48.5m for 15,000 low fee and free training places will not be effective unless it is targeted at the right people and is accompanied with a wage increase.”

“National Seniors Australia recommended a **Mature Age Traineeship Program** to help meet these urgent front line workforce needs, and a **downsizing incentive** to help people stay safe in their own home and out of residential aged care, but neither were adopted. We also hoped for more affordable supported social housing for the growing number of impoverished pensioners as an alternative to residential aged care.”

**ENDS**