PRESS STATEMENT

October 9th, 1959

MALCOLM FRASER

The last Budget made considerable changes in the Social Services payments. I thought you may be interested in this especially as over the last three weeks there has been a great deal of speculation in the press about certain measures which have been suggested to the Government.

The main change is the increase of 7/6d. a week in age, invalid and widows pension. This cost £12.7 million yearly. This brings the maximum rate of pension to £4.15.0. a week or to £5.5.0d. a week for those single pensioners who qualify for the rent allowance. There are other comparative changes that have been made throughout the whole sphere and scope of Social Services and Repatriation payments. I would like to point out that a married couple, both receiving the pension and both either earning in part-time employment or by way of annuity the maximum permissible income, can now qualify for a total weekly income of £16,10.0d. This is, of course, free of tax. It is well worth making a comparison of this rate with somebody on the basic wage who may well have a young family with the consequent heavy financial responsibilities. A pensioner couple would be extremely unlikely to have any dependant children and, therefore, those who do receive this maximum rate can be said to be considerably better off than a married man on the basic wage who, at the same time, is trying to raise a family.

However, it would be idle to assume that all pensioners come into this happy category. No one can deny that the lot of a single pensioner who pays rent is anything but difficult, but the Government in making changes in pension increases has had to take account of the overall Budgetary position and allocate what funds it can to Social Services. However, I don't want anyone to think that Social Services and National Welfare are in any way regarded as a poor Cinderella when it comes to the question of the Federal Budget. In this year Social Services and National Health cost £300 million, while Repatriation will cost a further £136 million; the total being £436 million.

During debates on Social Services there is a common practice of comparing the rates of pension now payable with the rates of pension payable before the Government came to office in 1949.
During the debate the Minister quoted figures to show that the rate of increase in pension had been greater than the increase in the cost of living indicates, thus showing that the pension paid is larger in real terms by 15/4d. than the one previously paid in 1949. However, this kind of comparison is very largely superficial and ignores the greatest change in the lot of the pensioner which has ever been introduced, and that is the pensioner hospital and medical service and the pensioner pharmaceutical service. Under these services, introduced by the present Government, pensioners are entitled to free medical treatment of every kind. Since pensioners are of an age when they are likely to need medical attention this obviously means much more to them than a small increase in pension. An increased pension of £0.10.0. or even £1. a week would by no means cover the cost for a pensioner who is ill and who needed constant medical attention. Under the provisions that exist a sick pensioner has no need for worry or for care. This must surely help relieve one of the greatest burdens from old people.

The Social Service legislation included one vital change. For the first time all aborigines, except nomadic tribes of no fixed address, will be entitled to full social service benefits. This is the first time in sixty years that the Commonwealth had exhibited sufficient energy to sweep away the restrictions that prevented this. These were largely of a constitutional nature. Aborigines were not qualified for benefits until they were specifically exempted from State Law governing native welfare. The Commonwealth action is one that should be hailed by all sympathetically minded people.

You will have seen in the papers where various Government members were reported to be strongly agitating for changes in the means test. I think everyone agrees that the position is not perfect and at a later time I will report on this subject only because it is extremely controversial, and one on which people legitimately hold different points of view. The only point I want to make now is this - the Government had made its Budget and framed its financial proposals in detail. The
The time to get these important changes introduced is before the Budget and not after it. No Government of whatever Party could, in fact, accept a major change in its Budget without recasting many other items which would be related to it. Therefore, the right time to try and get changes of an important nature introduced is in the Autumn Session of Parliament and not in the Spring Session after the Budget has been brought down. Therefore, I particularly welcome the Prime Minister's statement that the matters would be fully reviewed well before the framing of the next Budget begins.
Library Digitised Collections

Author/s:
Fraser, Malcolm

Title:
Changes in Social Services payments

Date:
4 October 1959

Persistent Link:
http://hdl.handle.net/11343/40397

File Description:
Changes in Social Services payments

Terms and Conditions:
Copyright courtesy of Malcolm Fraser. Contact the University of Melbourne Archives for permission requests.