CORRECTION

In last week's Broadcast it was stated that $268 million had been allocated under the Petroleum Product Prices Scheme.

This figure should have been $26.8 million.
In my recent talks, I have discussed aspects of the new Federal Budget, and in one of them, I touched on its social services proposals.

In fact, these proposals constitute the most dramatic and extensive changes in our social welfare system for a quarter of a century.

The Liberal/Country Party Government has made a firm commitment to the abolition of the Means Test on social service payments. Specifically it has pledged "to abolish the means test within the next three years for age pension eligibility for residentially qualified men and women aged 65 years and over." (The steps that we have taken now are firm.) The end of the means test is just around the corner.

In this Budget the basic rates of pension have been increased to $20.00 per week for a single person and $34.50 for married couples - that is, rises of $1.75 and $2.50 respectively and major easing of the Means Test now provides that a single person may have a means of $20.00 per week, or $34.50 in the case of a married couple and still retain their rights to a full pension. In fact, part pensions will be payable until means reaches $60.00 a week for single pensioners and $103.50 in the case of a married couple. This comes about because the "free area" has been doubled, and is now the same as the basic pension rate.

Two other major changes will affect the operation of the Means Test. In the first place the value of the deduction for each child of a pensioner is to be raised by 50 per cent from $4.00 to $6.00. This, of course, will be of great benefit to all pensioners especially widow and invalid pensioners with dependent children.
A second major change is that superannuation payments will no longer be treated as full income under the means test but will be treated as if converted to a property value. In other words, the value of a person's superannuation will not count so heavily against them in assessing their pension entitlement. This provision will, of course, be of greatest benefit to the older recipients of superannuation and annuities. These older recipients are exactly the ones who have lost most through inflation, and the measures proposed will offset this to some extent.

A new deal for pensioners' wives is to come into operation. We now propose to pay a pension, at the married rate, to the wife of an aged, invalid or service pensioner, not now qualified herself for a pension. Thus in cases where the wife now attracts a wife's allowance the total additional payment will be $8.25, and where no allowance is presently made, a total increase of $16.25 will occur.

Some years ago we realised the need to make special payment to pensioners paying rent. This budget doubles the rate of this supplementary assistance to $4.00 a week, and extends it to married couples.

Social welfare of course is more than just pensions; it is above all a matter of realising where need exists and acting in a compassionate way to relieve it. For instance in this Budget there are special plans to assist young families, the infirm and home purchasers, and I mentioned these briefly in one of my recent talks.

Nursing benefits for the aged will be increased by an insurance supplement; all such pensioners will receive this extra payment. In addition, a new payment of $14 per week will be given, subject to medical certification, to those caring for sick aged persons in their own homes.
The subsidy for the care of persons over the age of 80 in hostels is to be doubled to $10.00 a week. Again, in this field compassion is the key note.

When we add the value of actual pension increases, plus the enormous liberalisation of the Means Test; plus an increase in supplementary assistance and deductions for dependent children, it can be seen that this Budget makes the most extensive and far reaching improvements in Australia's social welfare system in the last quarter of a century. To this, of course, must be added the significant reductions made in the level of personal income taxation, averaging some 10 per cent.

More than 670,000 people will benefit directly from the $1.75 increase in standard rate pensions, and a further 395,000 from the $1.25 increase in married rate pensions. In addition the liberalisation of the Means Test will make over 50,000 people eligible for some part of the pension for the first time.

It will take some time for all these changes to be put into effect but delays will be absolutely minimal. In previous years we have usually been able to commence payments of new pensions about the beginning of October, and I hope that we will meet that date this year.

I must divert here for a moment to mention the improvements in repatriation benefits in the Budget.

The increases, will total $40 million in a full year bringing the annual repatriation expenditure to more than $400 million. This indicates the Government's continued acceptance of the nation's responsibility to the ex-servicemen and women of Australia, their widows and dependents.

To give one or two examples, the general rate will rise from $12 to $14 a week. The special T & P I rate goes up $3.50 to $48 and the intermediate rate up $2.75 to $34.
Substantial easing of the Means Test provisions will ensure that many ex-servicemen and their dependents will receive considerably more than the basic increases. It will also increase the number of those eligible for service pensions.

In recent years we have made major assaults upon the few remaining pockets of poverty in Australia - those that are left, which will be investigated in our announced Poverty Enquiry, have been reduced by this Budget and will be further reduced by our plans for Means Test abolition. The alleviation of poverty, want, need and personal hardship stands high among our national priorities in social welfare.

We still have some way to go on this road, but this Budget and the commitments it contains, represent the largest single step we have ever taken.
Author/s: Fraser, Malcolm

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