



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**THE SENATE**

**PROOF**

**BILLS**

**Social Services and Other  
Legislation Amendment (Seniors  
Supplement Cessation) Bill 2014**

**Second Reading**

**SPEECH**

**Tuesday, 18 November 2014**

BY AUTHORITY OF THE SENATE

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## SPEECH

<p><b>Date</b> Tuesday, 18 November 2014  <b>Page</b> 67  <b>Questioner</b>  <b>Speaker</b> Lambie, Sen Jacqui</p>	<p><b>Source</b> Senate  <b>Proof</b> Yes  <b>Responder</b>  <b>Question No.</b></p>
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**Senator LAMBIE** (Tasmania—Deputy Leader and Deputy Whip of the Palmer United Party in the Senate) (19:10): I rise to speak to the Social Services and Other Legislation Amendment (Seniors Supplement Cessation) Bill 2014. This bill is to amend social services and veterans legislation from 20 September 2014 to cease payment of the senior supplement for holders of the Commonwealth Seniors Health Card or the Veterans' Affairs gold card. The government are making it easy for me to vote 'no' to their legislation and to continue my campaign to force Mr Abbott and Mr Hockey to make a fair pay offer to the men and women of our Australian Defence Force. This legislation will take money away from Tasmanian seniors and veterans in the name of budget repair. So I would have opposed this legislation even if I did not make the denial of a fair pay for our Defence families a matter of conscience.

I was warned about this bill, along with three other bills, described by the president of the Vietnam Veterans Peacekeepers & Peacemakers Association as 'the four nasty government bills'. I will read from an email my office received from the national president, Mr Tim McCombe:

There are four nasty government bills before Parliament which, if passed, will, over time, drag Veterans Affairs pensions further and further behind community income standards.

You may not notice it at first because the half yearly indexation catch-ups will continue. It's just that those indexation catch-ups will be reduced.

And as those small reductions feed on each other, the falling behind accelerates.

President Mr Tim McCombe writes:

To achieve its desired degrading of Veterans Affairs pensions, the government has introduced four pieces of legislation into Parliament.

With the Coalition government having a majority in the House of Representatives, all four bills are expected to pass despite some opposition from Labor, the Greens and the Palmer United Party.

They must then go to the Senate where the government does not have a majority.

Three have already reached the Senate and the fourth is expected to arrive soon.

The odious bills are:

Social Services and Other Legislation Amendment (2014 Budget Measures No. 5) Bill 2014

From 20 September 2017, the bill will ensure all Veterans Affairs pensions are indexed to the consumer price index only, by removing benchmarking to the usually more favourable male total average weekly earnings and indexation to the usually more favourable pensioner and beneficiary living cost index.

From 1 July 2017, there will be a pause of indexation for three years of the income test free areas for all Veterans Affairs pensions and the deeming thresholds for all income support payments.

From 20 September 2017, veterans' entitlements income test deeming thresholds will be reset to \$30,000 for single income support recipients, \$50,000 combined for pensioner couples, and \$25,000 for a member of a couple other than a pensioner couple.

Social Services and Other Legislation Amendment (Seniors Supplement Cessation) Bill 2014

The measure will, from 20 September 2014, cease payment of the seniors supplement for holders of the Veterans' Affairs gold card.

Social Services and Other Legislation Amendment (2014 Budget Measures No. 4) Bill 2014

From 1 January 2015, the bill will remove the three months' backdating of disability pensions under the Veterans' Entitlements Act 1986.

Social Services and Other Legislation Amendment (2014 Budget Measures No. 6) Bill 2014

Pauses indexation for three years from 1 July 2017 of the assets test free areas for all Veterans Affairs pensions.

From 20 September 2014, rename the 'clean energy supplement', payable to Veterans Affairs pensioners, as the 'energy supplement', and permanently cease indexation of the payment.

Military superannuation (DFRB/DFRDB/MSBS) to be newly included as income in the assessment for the Commonwealth seniors health card (with products purchased before 1 January 2015 by existing cardholders exempt from the new arrangements).

President Tim McCombe further writes:

Just which Senators will vote in favour of degrading Veterans Affairs pensions and which will vote against this degrading is yet to be seen—

although we have seen one today—

But we believe the Greens and the Palmer United Party are likely to vote against all the measures degrading Veterans Affairs pensions. We believe, disappointingly, that while Labor will vote against most of these proposed downgradings but may vote in favour of some of them.

We shall be watching and reporting.

I have to congratulate all the ex-service organisations in Australian and, in particular, Mr Tim McCombe, President of the Vietnam Veterans Federation of Australia for their initial service to the country. They put themselves in harm's way for our freedom, and now, in their golden years when they should be enjoying their grandchildren, they once again are watching their mates' backs. They are carefully studying legislation put before this place and holding us to account, and I greatly appreciate their advice and wise council. It is my honour to give voice to these great Australian patriots' feelings and concerns in this Senate. It is what I was elected to do, and now that I have declared that I will not be bound by party discipline on these matters of conscience I will never fail them.

After those general comments, I turn to particular provisions of the Social Services and Other Legislation Amendment (Seniors Supplement Cessation) Bill 2014. Seniors supplement is a quarterly payment targeted at self-funded retirees—persons of retired age not receiving an income support payment—and to older veterans over 60 years of age who hold a gold card for a medical condition. The payment is designed to help these older Australians to pay for the increasing costs of living, including bills like power, rates, phone and motor vehicle registration. The next payment of seniors supplement to eligible people is due in December 2014.

The seniors supplement is currently \$876.20 for singles and \$1,320.80 for couples, combined, per annum. Men and woman who fought for this country rely on this payment, often just to make ends meet. The government claims it will achieve savings of \$1.1 billion over five years from 2013-14 by ceasing the seniors supplement.

The government savings, in reality, is Liberal spin doctor speak for: 'We're going to steal \$1.1 billion of your money from our elderly, seniors and veterans.' I will not be party to this political crime. I will not, like the Nationals, become an accomplice to this Liberal crime, not when Australian politicians have awarded themselves over the last decade an average pay rise which is more than double that of the members of the Australian Defence Force.

The parliamentary library background research I commissioned for my private member's bill shows that in one year alone—2012—Australian politicians were awarded a 34.3 per cent pay rise which took their base rate salary

from \$140,910 to \$190,550. This was an increase in one year of almost \$50,000, or \$49,640, for an Australian politician while an Australian soldier—a pay band 9 corporal, now on \$76,000 per annum—received a 2.5 per cent pay rise, or approximately an extra \$1,900 per year. Sadly, the parliamentary library research reveals for the first time that the average yearly rise in Defence pays over the last ten years is approximately 3 per cent. This stands in stark contrast with the average yearly rise in politicians' pay, which, since 2004, is almost 7 per cent. The politicians' pay rise included in the total the 2012 pay rise of 34.3 per cent.

In closing, I once again condemn the Abbot Liberal government for bringing this cruel legislation before the parliament and, on behalf of the people of Tasmania, register my strong opposition to this legislation.