



LEADER OF THE OPPOSITION

THE HON. DR BRENDAN NELSON MP

10 September 2008

TRANSCRIPT OF THE HON. DR BRENDAN NELSON MP INTERVIEW WITH GARY HARDGRAVE RADIO 4BC, BRISBANE

Subjects: Pension; Peter Costello.

E&OE.....

DR NELSON:

Good morning Gary.

HARDGRAVE:

Nice to talk with you and look, you know, Brendan you and I are old mates. We had an office wall between us there for a few years and we worked closely with each other, but people are saying that you're \$30 a week plan would make a difference?

DR NELSON:

Well look, I noticed there's some speculation about something that we might be doing in relation to pensions. I can only say at the moment that Mr Rudd's formed a committee. He admits along with six of his senior ministers they couldn't live on \$273 a week.

HARDGRAVE:

Well I couldn't, you couldn't. I'm sure?

DR NELSON:

No, no I'd have to go back to the bare bones of my backside as a student to do anything like that. And so from my point of view what the Government should do is, if it's going to wait for this committee – as you know Mr Rudd is the chief bureaucrat running a bureaucracy instead of the Prime Minister making decisions – if they're going to wait for this committee they should provide another single lump sum

payment to pensioners before Christmas. The indexation for the pension ought to change and in addition to that at the moment we're working very carefully on some new policy to support pensioners.

HARDGRAVE:

Okay. So the reports suggesting, you're saying a lifting now is not real? It's not a real story yet, it's just speculation?

DR NELSON:

Well there's some speculation. I mean I have said over the last few weeks that we're working on policy – and I'll have something to say about that shortly. We think the situation is such that whilst the Coalition Government basically made single pensioners \$72 a fortnight better off than they would have been under the systems that existed before John Howard came to office, the economy has significantly gone backwards since Mr Rudd took control, costs of living, rents, other things have gone through the roof. Pensioners are feeling it harder than anybody. Mr Rudd's got close to a \$22 billion surplus.

HARDGRAVE:

So spend some of it, spend some of it. That's what you're saying?

DR NELSON:

Well, Gary, I mean why are we living in a country with affluence of which our pensioners today could not have dreamt of as children, and yet Mr Rudd says 'oh they can't live on \$273 a week'. He can't do it, but he expects them to do it – and then he gets a committee.

HARDGRAVE:

People are saying that an additional \$30, I mean the way the story is morphing into, \$30 for instance a week would make a huge difference to the dignity of pensioners. Now how that is afforded by the country, there's all these estimates that it's a billion dollars year or whatever, but at the end of it how do you frame policy like this? I mean you take a while to come up with a pension policy, so how do you frame a policy? Do you take an amount of money and divide it by the number of people who benefit and you come up with a figure? Or how do you do that?

DR NELSON:

Well terms of looking at it – by the way, you don't need to have a committee to do this – there are pensioner organisations and....

HARDGRAVE:

They know better than anybody else, don't they?

DR NELSON:

They sure do and there's plain common sense to be applied and I think what you've got to do is look at the cost of living pressures that pensioners face. You look at what you think is reasonable for people to try to survive on a pension, and then I think you need to look at obviously the finances of the country and what it can afford reasonably to do so, and then a decision has to be made. And obviously it's the pension itself. But there are other things like cutting the excise on petrol, protecting pensioners with their private health insurance rebate – and one of the things I think Mr Rudd doesn't seem to understand is that there's 200,000 people over the age of 65 living on less than \$20,000 a year that have got private health insurance.

HARDGRAVE:

Yeah, well I mean what about all this question of paperwork Brendan. I mean, at the end of the day, you've got to reach a certain age where frankly you don't want to be filling in forms every six months to justify what your circumstances are. You don't want to be panicked if someone's going to offer you a chance to go and do a paper run or something like that and earn you a bit of pocket money, that you're going to lose your pension.

DR NELSON:

Well, I think one of the things Gary that we do need to be looking at is allowing pensioners to actually earn a bit of income to supplement their pension without being penalised for it. And one of the other things we're looking at is, as you quite rightly say, the paperwork that's involved in supporting all of that. In the end, these are the men and women whose sacrifices made this country what it is.

HARDGRAVE:

An amazing generation, there's no doubt about it.

How much can we afford, say, to give them the dignity they deserve? How much as a nation can we afford? That might be a bit of a heartless question because I think we should be seeing them as a priority, but how much can we afford?

DR NELSON:

Well, I think at the moment we can afford to be reasonably generous. I'll have something to say about this not before too long. But at the moment we've got, over the next five years – even with the economy slowing under Mr Rudd – we're looking at about a \$96 billion surplus over the next five years, or in the order of \$90 billion. That's a lot of money. Mr Rudd's proposing to put about \$40 billion of that into slush funds which he intends to use to prop up failing state governments, and my view is we can at least use some of that to support our pensioners.

HARDGRAVE:

If they're not a priority, there's something awfully wrong. I mean, Brendan, is this going to make a difference for you in a personal level? You must be getting sick to death of all this speculation about leadership and so forth and Peter Costello. Cossie is in the media again today. Is he going to lead the Coalition to the next election?

DR NELSON:

Well, I'm going to lead the Coalition to the next election and Peter made the decision, which he announced just after the election, that he wouldn't be seeking the leadership of the party. He said at a function to honour his contribution, by the way, in Melbourne a couple of weeks ago, he said that he would be supporting me through to the next election and he would continue to serve the people of Higgins. And he further said if anything were to change in relation to the people of Higgins he would let us know and that's the reality.

But I think you know me very well; I'm very determined. And as far as the future's concerned the most important thing I think for all of us who are privileged to be in public life is to serve the best interests of our country, and for us as Liberals then our party.

HARDGRAVE:

You've got a tough gig, though, and you must be getting sick of this speculation though, come on.

DR NELSON:

Well, there are days when you could do without it but we've gone through the first eight or nine months in Opposition. We've actually, contrary to what the commentariat and all these people would have Australians believe, I actually think that support for Mr Rudd is actually quite soft. There's a view that's emerging that he's all talk and no action, the smoke and mirrors, that he's got all the substance of the cardboard cut-out that we brought into the parliament earlier in the year and this has got quite some way to go. Some of my colleagues, with my support I suppose, at least with my blessing, have let off a bit of steam over the last few months.

HARDGRAVE:

You're a good people manager, Brendan, I've got to say. [Inaudible]

DR NELSON:

Well, we've got a way to go and we now move into the next phase and we'll be expecting...

HARDGRAVE:

The next phase, the next phase has got to include some big hit items like dealing with this pension crisis that we now have.

DR NELSON:

Most certainly. If you think about the critical measures of a caring society, at the top of that list is the extent to which we are prepared to provide for those men and women whose sacrifices actually made this country what it is. These are people that didn't buy something until they saved up for it. They thought their responsibilities to each other were more important than their rights. They also thought that values were more important than value. They went without a lot of things to make Australia what it is and I think now in an affluent country – notwithstanding the fact that we've gone backwards under Mr Rudd – it's time for us to be a little bit more generous with them.

HARDGRAVE:

Alright. Well Brendan, good to talk with you. I wish you well. It's the toughest gig in town this federal Leader of the Opposition thing and you've got it coming from all sides. Brendan Nelson, thanks for your time today.

DR NELSON:

Thanks very much Gary.

HARDGRAVE:

Good on you mate.

[ends]