



COTA Over 50s MEDIA RELEASE
PO Box 3508
MANUKA ACT 2603

Phone: 02 6295 1844
Fax: 02 6295 1807
Email: info@cotaover50s.org.au

All pensions should rise: reform must be thorough

COTA Over 50s welcomes the attention that is being given to the plight of pensioners by both the Government and the Opposition. COTA Over 50s has long advocated a single pension that is two-thirds of the couple rate. But a thorough overhaul of pensions is long overdue. The income support system is a complex beast, and there are all sorts of anomalies between the Age Pension, Carers Payment and the Disability Support Pension, to say nothing of other discrepancies around widows' pensions and the like.

COTA Over 50s exhorts the Harmer Review to be courageous in its advice to government so that the whole pensions system can be put on a proper footing and provide the basis for older Australians, at a minimum, to live modestly, consistent with contemporary Australian standards of living.

"Older Australians are generally a self-reliant bunch, and it is reasonable that they are supported at a level that enables them to stay that way," said COTA Over 50s Executive Director, Dr Geoff Bird. "It is essential that, through a combination of pension, superannuation and other income, every senior Australian can be in a position to remain connected, contributing members of society. A proper pension is an investment in that goal.

"If Australians can age well, and in place, the benefits to all concerned are immense. Not only will it minimise the quantity and cost of interventions needed to respond to health, accommodation and other welfare-related crises among older Australians. It will also maximise the economic, social, and cultural benefits that flow from older Australians' being able to apply their talents, time and experience to the flourishing of Australian society. An Australia that ages well is clearly in our national interest – and its importance is only going to intensify.

"From what we can make of various reports and statistics, it seems that a person needs around \$18,500 to live modestly – and that is at a fairly basic standard. We should be thinking about how we can build an income support system with that level of requirement in mind."

COTA Over 50s calls for an income support system predicated on adequacy, fairness and sustainability. Adequacy means setting pension levels and parameters by the application of a credible, reasonable and transparent mechanism that determines the overall income required for a person to live modestly.

Fairness means an income support system that is adaptable to individuals' circumstances, with particular regard for the needs of those who are most disadvantaged and least able to achieve through their private means, an adequate standard of living.

Sustainability means structuring the funding base of the system with regard for its impact on the Australian economy, and the need for the income support system to remain viable and effective at least until such time as the benefits of Australia's revised superannuation regime have begun to substantially fund older Australians' retirement years.

For further information contact
Dr Geoffrey Bird Mobile 0409 705 951