

PENSIONS MUST BE SET INDEPENDENTLY OF THE GOVERNMENT OF THE DAY

EMBARGOED UNTIL 1.00AM FRIDAY 19 JUNE 2009

Catholic Social Services Australia has repeated its call for the establishment of an independent Australian Entitlements Commission to set and review pensions and other income support payments.

Executive Director, Frank Quinlan will put the case today at the public hearing of the Senate Community Affairs Legislation Committee's Inquiry into the Social Security and Other Legislation Amendment (Pension Reform and Other Budget Measures) Bill 2009, which was referred to committee on Wednesday this week.

The single parent pension has been aligned to the aged pension for the last 30 years.

But in a departure from common sense the legislation currently before the Parliament seeks to increase the pension for single people by \$33 a week and \$10 a week for couples, but there's no increase for single parents.

Mr Quinlan said the current arrangements for government payments further disadvantage single parents and people on unemployment benefits – who also struggle with very basic day-to-day expenses.

"Successive Australian governments have avoided making judgments about what an acceptable living standard for Australians on benefits might be," Mr Quinlan said.

"The current system is full of anomalies born of random payments and bonuses that arise out of political whim and historic accidents rather than good social policy," he said.

The Australian Entitlements Commission would operate at arms length from government in much the same way as the Fair Pay Commission, the Commonwealth Remuneration Tribunal and the Reserve Bank of Australia.

In setting adequacy benchmarks the Commission would consider:

- the goods and services necessary to live in reasonable comfort, maintain dignity and take part in the life of the community;
- the contribution of in-kind government support provided through measures such as the Seniors Card, Medicare, public housing and subsidised rent and transport;
- differences in the cost of living between income support recipients who own their own homes or have access to public housing and those who rely on the private rental market;
- differences in the cost of living for income support recipients in different geographical areas;
- differences in the cost of living for income support recipients living in different family/household types.

The Commission would be comprised of academics with expertise in poverty research and income support policy; representatives of the community sector; representatives of the business community with expertise related to cost of living issues; retired MPs or senior public servants with relevant experience.

A copy of the discussion paper: *An Australian Entitlements Commission* is available at:
<http://www.catholicocialservices.org.au/node/14718>

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Contact: Judith Tokley 0408 824 306 / 02 6285 1366