



COMBINED PENSIONERS AND SUPERANNUANTS ASSOCIATION OF NEW SOUTH WALES INC.

Founded 1931.

Serving pensioners of all ages, superannuants and low-income retirees.

Consumer Protection Awards – 2002, 2003, 2004

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MEDIA RELEASE

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HOWARD'S PRIVATE HEALTH INSURANCE REBATE IS A COSTLY BRIBE

“Despite what Howard’s henchman Tony Abbott says, the announced increase of the private health insurance rebate for 65 year olds and over is a costly bribe,” said Mr Bob Jay, spokesperson for Combined Pensioners and Superannuants Association of NSW Inc (CPSA).

“If the increase in the rebate starts in April 2005 a typical monthly (top cover) premium will go from \$185 to \$172 per annum. However, that doesn’t take into account projected premium rises which will happen as sure as the sun sets in the west.

“So the Howard Government will give seniors a fistful of dollars on the one hand only to be taken away by private health insurance companies on the other. The whole deal is a con.

“Even worse, the public health system will be missing out. The handouts to private health insurance companies will go at least partly to administration costs. Unlike Medicare, private health insurance is notoriously expensive to administer. Look at the US health insurance system. It is predominantly driven by private interests and, big surprise, is more costly to the US economy than Medicare is for the Australian economy.

“The Leader of the Opposition offered more hope to pensioners when he said ‘You can either have universality and Medicare or you can go down the Howard path of user-pays and a second class safety net.’

“Whilst a portion of our members make significant sacrifices to be able to have private health insurance, the majority of pensioners still cannot afford it. Surely a better way to help all low-income older Australians is to improve our public health system.

“We call on the Australian Government to support our public health system and put a stop to corporate welfare in the form of private health insurance handouts which are not means tested,” said Mr Jay.

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