THE VOICE of Pensioners and Superannuants online

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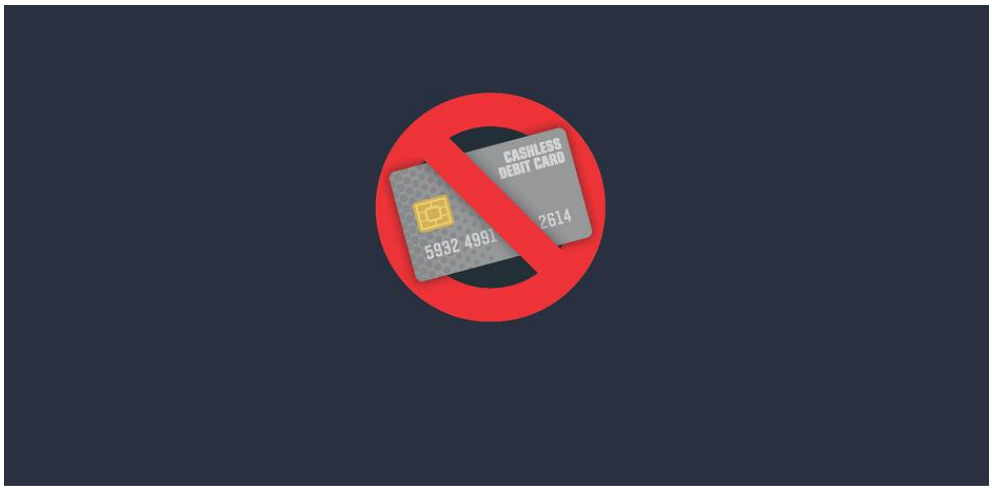
Will Govt support Bill to end Cashless Welfare Card?



FEDERAL Labor Member of Parliament, Julian Hill, introduced the 'Protecting Pensioners from the Cashless Debit Card Bill' on 25 October that will end the Cashless Debit Card (CDC) program entirely by 31 January 2022 if it is supported by the Australian Government.

The Bill says that the current CDC program frustrates and weakens two international human rights: the right to social security and the right to self-determination. Labor has committed to scrapping the CDC if it wins the next election and the introduction of this Bill shows it is willing to offer more than promises but actual legislation to end the program.

However, it looks like the Bill is unlikely to gain Government support. The Minister for Families and Social Services, Anne Ruston, responded to the Bill in a media release, indicating that the Government is hard and fast on keeping the program in place.

Ruston, who is responsible for the ongoing management of the CDC, said the Government "…will not force age pensioners onto the Cashless Debit Card. We were never going to, and never will."

However, *THE VOICE* reported earlier that 20 Age Pensioners in Cape York are already on the CDC, fourteen of whom were forced onto the CDC by the Family Responsibilities Commission (FRC).

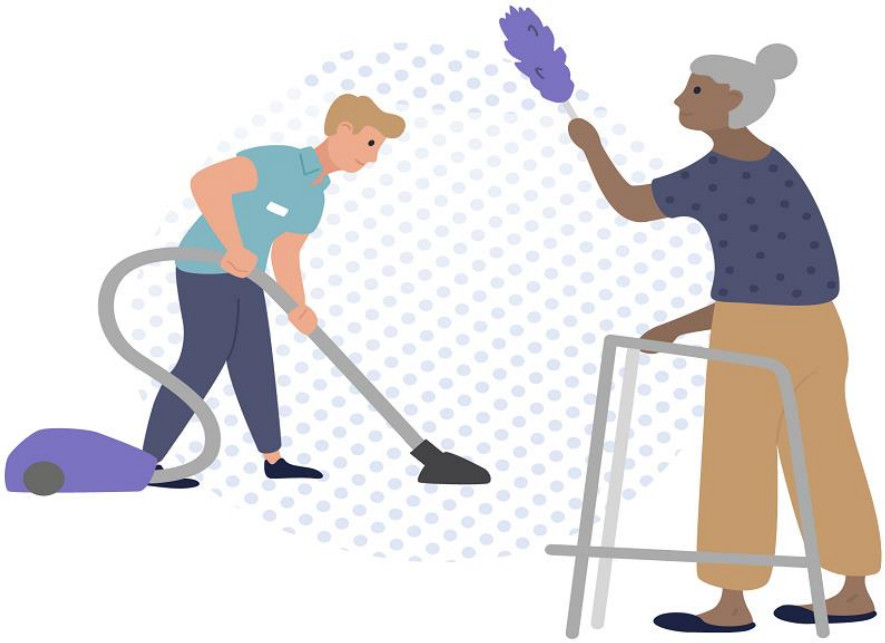
Within the explanatory memorandum of an amendment to CDC legislation the FRC said it does not support the exclusion of Age Pensioners from the CDC.

So sure, the Government did not force Age Pensioners in Cape York onto the CDC, but they passed the legislation that allows the FRC to force Age Pensioners onto the CDC.

It is also important to remember that on 11 February 2020, Minister Ruston voted against a motion in the Senate that would have forced the Government to be transparent about its future plans for the CDC.

The Minister says the Government will never put Age Pensioners on the CDC but then votes against motions that would outline how the CDC will be used in the future. How can Age Pensioners find reassurance in the Minister's words?

We need Common Sense Directed Care!



IN aged care, there are currently two home care programs in Australia.

One is the Home Care Packages (HCPs) program and supports about 100,000 people, with as many people waiting for support.

The other is the Commonwealth Home Support Program (CHSP), which supports more than 800,000 people. It has no waiting list.

The Government wants to turn these two programs into one. On the face of it, it would make sense to start running the problem-plagued HCPs program like the overall problem-free Commonwealth Home Support Program.

One of the main problems plaguing the HCPs program is that people get a set amount allotted according to one of four levels of care. Out of that money, HCP providers bill you for administration costs. They get taken out first. Whatever is left over can then be spent on wages for care staff to come out to you.

This means that in many cases people are not getting enough care.

CPSA thinks it doesn't really make sense to start running the other program, the CHSP, in the same way. People in the CHSP are generally getting the care they need. People in the HCPs program are often not getting the care they need, plus there's a waiting list on which are people who are not getting care at all.

If the Government wants to turn these two programs into one, the first thing to do would be to fund Home Care Packages the way care is funded under the other program, the CHSP.

This would mean requiring providers to provide actual care first and what's left over can go towards administration costs.

It would also mean that people needing care would not be assigned one of four levels with fixed funding to go with each level. Having just four levels of care with fixed funding is always going to mean that some people get money to spare and others not enough.

The second thing to do is to put local not-for-profit organisations in charge of home care. They could contract some, or even a lot of things out to for-profit companies, but a for-profit company is always putting profit first.

This is why the HCPs program has such a problem with admin cost blow-outs and the CHSP doesn't.

Keep it local. Keep it not-for-profit as much as possible. And don't give people receiving care a budget and expect *them* to work out how to get the care they need.

Super funds told to get their snouts out of the trough

SNOUTS out of the trough is the long overdue message the Australian Prudential Regulation Authority (APRA) is sending the Australian superannuation funds it regulates.

APRA has slammed super funds for spending members' money on sporting sponsorships and marketing campaigns without being able to justify their expenditure.

There are many instances of funds spending money with "insufficient evidence to demonstrate that the expenditure would be in the best financial interests of members", including cases of funds giving free sporting tickets and other sponsorship benefits to their staff.

Super funds must justify sponsorships and spending on marketing as necessary to attract and retain members. Often this does not happen.

Is there a justification for, for example, for Cbus having naming rights over the Robina Stadium on the Gold Coast, or Hostplus sponsoring the Melbourne Storm rugby league team?

Super funds argue that such advertising is necessary to attract and retain members, with the benefits of greater scale passed on to all members through lower fees.

According to Super Consumers Australia director Xavier O'Halloran it is "appalling to see members' money splashed on massive advertising campaigns, sponsorships and conferences put on by the industry lobby groups".

APRA has put funds on notice it is weighing up possible changes to its prudential guidance about spending on advertising campaigns, sporting team sponsorships and payments to external organisations that may not be in members' best interests.

CPSA's view is that there is absolutely nothing wrong with superannuation funds advertising their superior investment performance in order to attract more members. If a fund grows in size, it can cut its costs and this benefits new and old members alike.

However, the senior people running superannuation funds must realise that fund marketing and advertising must not be designed to gain personal perks in addition to their generally generous remuneration packages.