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Mr K J. Thomson M.H.R, Wills 3 Munro St. Coburg 3058

Dear Kelvin:

I appreciate your interest in problems of the aging, and thank you for the opportunity to comment. As self-funded retirees, we live off less than two-thirds of the old-age pension, without the concessions.

Less important than the lives of individuals is the statistical fact that the ratio of pensionage to labour-force-age taxpaying people is at a record high, and shows no signs of falling This is further aggravated by the steady annual increase of 6.3% in the number of people on disability pensions, a problem that has only begun to be addressed, as a matter of national fitness. At least one neighbour is unwilling to jog with me, as he fears that to be seen exercising would jeopardise his disability pension.

Clearly, the increasing transfer of wealth from working to non-working people is not sustainable, and the Government is examining such issues as increased immigration, strengthening the economy to provide more jobs, and a later retirement age. That some politicians take the last one seriously, at a time when jobs are simply not available for older people, suggests a serious detachment from the real world.

Some related issues:

• There is reaction to higher prices of prescription drugs, while entrepreneurs, especially Indian and Chinese, are buying up subsidised drugs and medical supplies for profitable export. As a volunteer at Diabetes Australia, I see a lot of it. Further, Aust expenditure on gambling -- now exceeding \$1000 per adult for the first time - plus alcohol and tobacco, is <u>nine</u> times greater than on prescription drugs.

• Reading the advertising in seniors'/pensioners' magazines is instructive, especially ads. like the attached, for trips which would be beyond the reach of many working people. While this has improved since oldies of my age used to take costly overseas trips in order to pass the means test, it is hard to buy the notion that pensioners have insufficient discretionary income.

In USA my mother-in-law, 90, is in a nursing home. In three years all her assets were used up to pay costs, then Uncle Sam assumed responsibility. We will inherit nothing, and <u>that is as it should be -</u> no double-dipping. I am appalled that much of the pressure to relieve costs for oldies comes from interested heirs. Letterboxing for the Libs. in 1996, I was mightily and bilingually abused by an Italian lady who seemed to fear that, when Dad dies, she might have to lose face and: settle for a mere \$40,000 funeral, because the Government is so parsimonious.

• As a nursing home can be a death sentence for people who have never before had to live institutionally, alternatives, such as home visits, deserve more attention.

I have taken the liberty of sending a copy to a lady with a keen interest in health matters

Yours sincerely,

Robert G. Steadman

c.c. Sen. Kay Patterson, Minister for Health

For a copy of the Article mentioned please phone 02 6277 4615.