

Private health rebate may trigger vote

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The federal government could have another trigger for a double-dissolution election by the end of Monday if the Senate rejects Labor plans to means test the 30 per cent private health insurance rebate.

The government needs the support of seven non-government senators to push through legislation that phases out the rebate for singles earning more than \$75,000 and for families on over \$150,000.

Labor argues the measure would save the budget \$1.9 billion over four years and end a taxpayer subsidy to most well off Australians.

The opposition has countered by saying the government is breaking an election promise not to tinker with private health insurance.

The Senate previously rejected the measure in September.

The government can use a second rejection to seek a double dissolution of both houses of parliament and an early election.

Both the Australian Greens and Family First senator Steve Fielding are offering the government a way round coalition opposition.

The Greens say they will support the measure if the government agrees to provide \$145 million for specific mental health funding.

"This proposal is practical, constructive and it's what is best for the Australian community," Greens senator Rachel Siewert said.

Senator Fielding wants the income threshold for families raised to take into account the number of dependent children.

He criticised the government for suggesting the measure was targeting the rich.

"But it's not," he told ABC Television on Monday, adding the means test kicked in at \$75,000 for singles.

"This will hit ordinary Australians."

The coalition won't say whether it will support an increase to the income threshold.

"I haven't seen what Steve Fielding is proposing, so it's hypothetical," deputy opposition leader Julie Bishop told ABC Television.

Senator Fielding later said the federal government had over-promised on health and under-delivered.

"They've done this all the way through," he told reporters.

He took aim at Health Minister Nicola Roxon who, he said, had made it difficult to negotiate the legislation through the Senate by cancelling meetings.

"I think they're more interested in actually saying to the electorate: 'Let's go to an early election'."

Independent senator Nick Xenophon, whose vote Labor needs to win parliamentary approval for the measure, continues to be concerned about a possible exodus from private health insurance.

"So whatever money the government says it saves, will it actually mean that consumers will end up paying more either in terms of increased public hospital waiting lists or for increased private health premiums," he told reporters.

Opposition health spokesman Peter Dutton said the government had zero credibility on health.

"If Kevin Rudd wants to go to the next election fighting an election on health... then bring it on," he told reporters.

The prime minister should explain why one million Australians were to be burdened with higher premiums, he said.

"He should also explain why during the last election he provided in writing a guarantee that he wouldn't do what he's doing right now."

Labor backbencher Mike Symon said the global financial crisis changed many things.

"That's rubbish," Mr Dutton countered.

"Their attacks on private health started from the day that they were elected."

Mr Symon said the changes would deliver a much-needed \$2 billion boost to the budget over four years, while affecting very few people - only the high income earners.

Fellow Labor MP Sid Sidebottom urged the opposition to vote for the bills in the name of "fiscal responsibility".

<http://news.smh.com.au/breaking-news-national/private-health-rebate-may-trigger-vote-20100222-ood2.html>