

We The People

Program 132

Goldilocks and the Three Bears



Over 100 years ago a story was written about a young girl with blond hair who unwittingly stumbled into a forest cottage and helped herself to some food. Goldilocks and the three bears is a milestone children's story where Goldilocks comes upon the bears home and finding three bowls of porridge on the table where she tastes each one, finally scoffing a bowl completely. This is a story most of us remember fondly along with so many others which enchanted us as children. Finally, remember how the bears said, "who's been eating my porridge" until they found the culprit..... Goldilocks.

Now today we have a real life version unfolding before us starring the public as the three bears, our money as the porridge and Matthias Cormann Minister for Finance as Goldilocks. Put simply Mathias and Tony are about to steal our porridge because they deem it to be, "just right". The government has announced the impending sale of Medibank Private and the sale will go through with Labors support. Medibank Private was the reincarnation of Medibank where it became a "for profit" business and remained government owned which produced very healthy dividends. We the people could join if we wished and many of us did and still belong. At the moment the annual dividend is something close to \$400 million a year with the impending sale about to deliver over \$4 billion to government coffers.

Now over time the business built up financial reserves as essentially it was an insurance company where people bought health policies. Remember of course the people are the shareholders because its government owned. This is especially true when you consider that reserves have been built up over many years directly from member's contributions. In other words it's our porridge and Goldilocks is about to scoff it down without asking. Social media is a term used to describe the on line commentary of ordinary people and for the first time in human history the people have an immediate say on any topic through this electronic phenomenon. This has recently witnessed the creation of a nationwide on line petition to see all members obtain a share of the sale of Medibank Private because we own it and members have directly contributed to its reserves.

Because of the absolute financial incompetency of the previous Labor government the country has gone from an outstanding position to a huge intergenerational debt of epic proportions and the budget at least must be brought under control. I don't envy the new government's job and they're having a go, however they must not steal what is rightfully ours to do this. In a way it reminds me of the Three Little Pigs and their nemesis the wily Wolf who was prepared to huff and puff and blow their house down. Hey but hang on we built the house and it's ours isn't it. Now we are assured when Medibank private is sold and the government leaves the market, premiums will not rise and we will all live happily ever after. Maybe and maybe not Red Riding Hood because you just can't trust everyone you meet and I am suspicious of Mr Cormann and his canine Teutonic overtones.

Ray Williams now 94 and living in retirement in Canberra was the first general manager of Medibank in 1976. He too believes we members should receive a sale dividend and he should know because there is no government money involved in the fund and that means we owe nothing to the government for our business. He rightly says "the government can't sell something it doesn't own..... and its theft". In the four years since the Rudd government converted Medibank Private into a profit-making insurer, the Commonwealth has peeled off \$1.366 billion in dividends and taxes. Profits after tax for Medibank Private have totalled just \$964 million, and the health fund's net assets have been whittled down from \$1.72 billion in 2010 to \$1.4 billion today. Someone's had their hand in the cookie jar and their snout in our porridge.

So take note Mr Cormann and Mr Abbott because when it comes to being fair and telling the truth your Pinocchio's are lengthening and your fairy tales are getting bolder every time you speak about Medibank Private as though it's a Magic Pudding. We the People are getting sick of being ripped off at every turn and especially, we the pensioners. Now just excuse me while I see to these flying pigs outside my window.

Until next time this is Kent Bayley