

Submission to ACT Government Regarding 2019-2020 Budget

Vintage Reds of Canberra of the Canberra Region

31 October 2018

Introduction:

The Vintage Reds of the Canberra Region are the Retired Progressive Trade Unionists who live in the Federal seats of Bean, Canberra, Eden-Monaro and Fenner. The Vintage Reds give retired trade unionists an opportunity to be involved in political and industrial campaigns using their skills acquired over a lifetime. We are affiliated with UnionsACT as a community organisation, and through them, the Australian Council of Trade Unions (ACTU) and the Retired Unionists Network.

This submission concerns aged residents of the ACT and the provision of better support from the ACT Government for the aged in the community to “live in place”. Our budget proposals concerns those who hold a Pensioner Concession Card (PCC) or a Seniors Health Care Card (SHCC) and to a limited extent, those who have been assessed by the Aged Care Assessment Team (ACAT) as requiring some assistance to continue living in place.

Residential property rates in the ACT have always been extraordinarily high. We realise this is part of the legacy of self-government, being a white collar, public sector city with a relatively small commercial and industrial base of rateable properties, and the difficulties of achieving economies of scale. However, the ACT Government does have an obligation to provide relief to those who hold a PCC or a SHCC.

Background:

The comparison of rates paid in the ACT with other jurisdictions is disturbing. One of our members who moved from Ashfield NSW reported that in 2003, they sold their home for \$775,000 where they were paying rates of \$800 pa, and purchased a house in Canberra for \$675,000 and the rates were a staggering \$2,000 pa.

On 1 January 2017, the Australian Government implemented radical changes to the Aged and Part-Aged Pension with the support of the Greens and the Council of the Aged (COTA). The deal signed off in 2016 was to reduce the part-aged pension by changing the assets test, and the savings were supposed to be passed onto those on the full aged pension. However, the deal was only partially delivered to the full aged pensioners, and the Commonwealth Government pocketed the difference. In the process, there were many part-aged pensioners who held the PCC, and lost their aged pension payments altogether, and were then given the SHCC.

Meanwhile, the ACT Government was moving to implement a new formula for the assessment of rateable properties. This decision was succinctly summarised in The Canberra Times report of 6 June 2018:-

“In 2011-12, the (ACT) Government revealed a 20-year plan to remove stamp duty and other so-called “inefficient” taxes in favour of higher rates. At the time the average household paid \$1,406 in rates each year. That figure has risen 76 per cent to \$2,474”.

Many older Canberrans, including those holding PCC and SHCC, have already paid those “inefficient” taxes; furthermore, they had carefully planned their retirements; and are now being slugged with even higher property rates living in their homes.

Issues identified by the Vintage Reds for the 2019-2020 Budget:

1. Some older people find it increasingly difficult to manage a computer; and many do not have access to online information anyway; and then it is very difficult to find the information. We request there be funding for an audit to ensure better and more accessible information for the aged community.
2. “Access Canberra” staff are not well informed about services and fees for the aged community. We request funding to provide staff training.
3. There is significant fragmentation of information and advice available for the aged community from the ACT Government. We request funding to provide a hard copy booklet about fees and services for the aged community.
4. The lack of transparency regarding the changes to the calculation of property rates, has justifiably been criticised by many ACT residents. We note that the ACT Government has chosen to differentiate the valuation base, fixed charges and levies in the rate notices. This is somewhat at odds with the assertions that the ACT Government is seeking to eliminate “inefficient” charges in favour of a higher rate. We request funding be made available to provide transparency for all ACT Government rates and charges included in the calculation of rates for the aged community living in place.
5. Further, the introduction of radical changes to the rates charged for residential properties without regard to the impact on the aged community is reprehensible. We request a 50% discount to Valuation Base Charge, Fixed Charge & all Levies for all PCC and SHCC holders.
6. These changes have been made at a time when there is an affordable housing crisis across the community, an increase in homelessness, and alarmingly, a growing number of older women who are homeless. There should be a funded study of those in danger of becoming homeless in the ACT along with recommendations, and costings to redress the crisis.
7. We note that there is a deferment plan for pensioner’s rates, where the moneys would be paid from the estate; we seek this rate to also be at the 50% discount rate.

8. For the aged community living in private rental accommodation, this radical change to rates has been devastating. We are of the view that aged citizens trapped in the private rental market should be compensated by way of an allowance worth 50% of the rates for the property, to be paid directly to the tenant as a monthly allowance. Such a proposal needs to be funded and made the subject of a new and separate policy.
9. The construction of the light rail has also seen the demolition of a significant percentage of the public housing stock at a time when affordable housing is at crisis point. Public housing stock must be restored. The information about public housing stock should also be made available on the ACT website.
10. We understand that holders of a Pensioner Concession Card are entitled to receive a 100% discount for vehicle registration and licence fees. We request that those who hold a Senior Health Care Card be granted a 50% discount for vehicle registration and licence fees.
11. We request that utility charges (water, gas, electricity, phone and internet) at the residential address of Pensioner Concession Card and Senior Health Care Card holders should be at 50%. This discount may require legislation, as many privatised utility providers do not use transparent marketing models, and their utilities are often marketed in packages and lack transparency.
12. There is a range of miscellaneous charges which should also be costed at the 50% discount for PCC and SHCC holders, for example, any tipping fees. We note that there is an annual free hard waste removal service, however, this may not be enough in certain circumstances.
13. As part of the “Living in Place Initiative” for the frail aged who have been assessed by the Aged Care Assessment Team (ACAT) as requiring some assistance, we request a linen service be made available for bed sheets and bath towels. The ACT Government owns the Capital Linen Service which could provide the linen, and volunteer organisation could change the beds. Presently, Willoughby Council provides such a service and charges \$11.00 per service (weekly or fortnightly). This service may attract Commonwealth Funding.

Summary of the Vintage Reds Claim for 2019-2020:

Item	Budget Request
Review of current on-line services for ACT Aged Community	<ul style="list-style-type: none"> • Audit and revamp current information for ageing community
Provision of information booklet detailing services to the aged community in the ACT	<ul style="list-style-type: none"> • Finance the writing and publishing of aged community services in the ACT
Access Canberra staff training	<ul style="list-style-type: none"> • Funding to provide staff training
Home owner residence rates	<ul style="list-style-type: none"> • A 50% reduction to Valuation Base Charge, Fixed Charge & all levies for Senior Health Care Card holders and Pensioner Concession Card holders. • The deferment plan be at the reduced rate.
Private rental subsidy for Senior Health Care Card and Pensioner Health Care Card holders place of residence	<ul style="list-style-type: none"> • Commensurate to 50% of the rates paid for the same property as a monthly allowance. • This proposal requires further research, policy development, and a likely pilot project.
Access to public housing for seniors who do not own their own home.	<ul style="list-style-type: none"> • Increase housing stock for aged. • Current policy for aged housing rental based on income and assets..
Vehicle registration and driver's licence concessions	<ul style="list-style-type: none"> • ACTG provides 100% reduction for Pensioner Concession Card holders • Request 50% reduction for Senior Health Care Card holders
Utility charges (power, sewerage & water) at residential address of pensioner	<ul style="list-style-type: none"> • Request 50% discount on utilities. • Any privatised utilities should be required by legislation to provide pensioners with a 50% discount on any user plans.
Other ACT household services not provided free eg tip fees for additional trips to the tip or companion animals	<ul style="list-style-type: none"> • Request 50% reduction
Living in Place Initiative. Linen Service for Frail Aged	<ul style="list-style-type: none"> • Request Linen Service which costs \$11.00 per change of linen. See Willoughby Council Service

Conclusion:

ACT Government has a responsibility to the aged community:-

- to put their wellbeing before some other considerations;
- to ensure secure and affordable housing;
- to ensure that they can “live in place”;
- to give special consider to the circumstances of those holding PCC or SHCC;
- and, give them special consideration in long and short term budget planning.

The Vintage Reds conclude that with regards to Property Rates:-

- the ACT Government probably has the most expensive domestic rates charged by any authority in Australia;
- moving to a property based system has inherent transitional difficulties which require budget planning flexibilities;
- there has been insufficient regard given to low income household and in particular, to the aged community;
- the substantial increases in property values across Australia has delivered to Governments with an unexpected windfall; and
- the time has come for the ACT Government to provide some relief to those households who wish to continue to live independently in their homes.

Other considerations for ACT aged community “living in place”:-

- the ACT Government does provided many services for the aged community which may be in need of review and some enhancement;
- older women in the community are particularly disadvantaged because of historic discrimination associated with child rearing, employment, superannuation and savings schemes.
- there are a number of additional services which could greatly assist those who have been assessed by ACAT to live in place.

The Vintage Reds commend our submission to the ACT Government.

Yours faithfully,

Jane Timbrell

Convenor

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