



Superannuated
Commonwealth
Officers' Association
(Australian Capital Territory) Inc.

SCOA Australia Inc.
ACT Committee

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Mr Andrew Barr
ACT Chief Minister

2018-19 Budget Consultation Process

On 12 September 2017 the ACT Chief Minister and Treasurer wrote to SCOA inviting its views, as part of community input to the Territory's 2018-19 Budget. These comments were to be provided on a fairly tight time-line, by 24 October 2017.

The ACT Committee of SCOA Australia represents, directly and indirectly, the interests of a significant portion of the Canberra community including:

- People in the Commonwealth and ACT public service who will receive a Commonwealth superannuation benefit or lump sum on retirement;
- Retired Commonwealth and ACT Government employees and Government business enterprise employees;
- Former employees who have deferred (preserved) their pension entitlement; and
- The spouses, partners and dependants of all of the above.

SCOA Australia has more than 2,000 members in the ACT.

SCOA Australia concerns itself with issues relating to retirement income, compensation, taxation, concessions, health and ageing. SCOA Australia assists individual ComSuper and Comcare clients to receive their correct entitlements. Although directly representing public sector superannuants, SCOA ACT pursues both specific and broader issues affecting ageing Canberrans more generally.

The SCOA Australia ACT Committee remains concerned that budgetary pressures should not result in savings at the expense of some of the most vulnerable in our community. We believe that the ACT Government, in considering the nature and mix of its necessary revenue measures, should have regard to the circumstances of older Canberrans and the undesirability of regressive revenue raising measures (such as the proposed changes to water pricing). We believe it is important to distinguish between recurrent expenditure and expenditure for necessary capital expenditure for long-term infrastructure and to fund each appropriately, having regard to the burden on current taxpayers.

SCOA ACT appreciates the opportunity to raise these issues and trusts that the ACT Government will consider them carefully in the context of preparing the 2018-19 ACT Budget.

John Blount
Chairman
SCOA Australia ACT Committee

Concessions

The Superannuated Commonwealth Officers' Association (SCOA) focus of concern is the diminishing spending power of the pensions paid by the Commonwealth Government under the PSS/CSS Superannuation Schemes which comprise the sole incomes of many retired Commonwealth Government retirees (both civil and military).

The ACT Government provides a range of concessions to Centrelink aged pensioners, covering items such as rates, utilities bills, car registration, licenses and tickets, which represent a significant annual value of great assistance to pensioners.

For retirees who are not Centrelink aged pensioners (that is, superannuants and self-funded retirees) the Commonwealth Government provides a safety net that enables a retiree to apply to Centrelink for a pension top up (part-pension) when their annual income falls below \$50,876.80 (single) or \$77,916.80 (couple). That retiree is then able to claim almost all the available concessions subject to the normal income and assets tests. In the ACT such concessions are generally accessed through the Centrelink Pensioner Concession Card.

It is proposed that ACT concessions to be available to all pensioners in the ACT on similar fixed incomes and that the concessions be accessed by retirees (including superannuants), who hold either a Centrelink Pensioner Concession Card or a Commonwealth Seniors Health Card.

The concept of the full range of pensioners concessions being available to all retirees on similar incomes is not new; both Western Australia and the Northern Territory adopted these practices some years ago.

Public transport

SCOA notes that the ACT Government provides to MyWay/Seniors cardholders aged 70 years or above free travel on ACTION bus services (and, prospectively, light rail)..

SCOA believes reducing the eligibility age from 70 to 65 would extend the following benefits:

- It would encourage additional Canberrans to use ACTION bus services;
- It would encourage older Canberrans to continue their volunteering activities and their social activities;
- It would reduce the number of motor vehicles on the road;
- It could reduce motor vehicle accidents and injuries; and
- It would reduce road maintenance.

SCOA has welcomed the ACT Government's trial provision of free public transport outside of peak hours to all holders of Seniors Card holders and supports its continuation. Free and concessional access to public transport for older Canberrans generally is an important factor in their mobility, having regard to their increasing difficulty with age in utilising private transport options.

In this context, SCOA also welcomes the extended trialing of flexible bus services for the aged and disabled and advocates the further expansion and consolidation of these services. These become even more significant with the greater walking distances resulting from some recent changes to ACTION timetables.

In relation to efficient and rational public transport, which is of particular concern to older citizens as well as of the community more generally, we would like to flag the need for an improved train servicer between Canberra and Sydney, both in relation to scheduling and duration.

Rates

Changes to the incidence of rates in recent years have impacted on retirees (including superannuants). We note that general rates concessions for current concessional rate-payers are capped at their current level, and that for others the new rebate cap is \$700. We strongly urge that the rebate should not simply remain at \$700 indefinitely but be indexed annually so that its value is not eroded.

Utilities

Utilities represent a significant and worrying item of expenditure for many retirees.

SCOA remains concerned that any restructuring of water pricing to make it relatively dearer for small household users and cheaper for large commercial users (again being advanced) is regressive, poor environmental policy and will have a particular impact on many retirees for whom their garden is a significant interest and recreation.

Having regard to both the imperatives of sustainable energy and the increasing cost of household electricity, SCOA believes that it would be beneficial for the ACT Government to consolidate and expand its existing arrangements to promote domestic solar, including to meet the particular needs of older Canberrans, especially those who may not have the wherewithal to pay a substantial deposit up-front.

Similar arrangements might also usefully apply to rebates (or interest-free loans) for installation of domestic rainwater tanks for garden use (not just for toilet or washing machine connections as at present).

Indexation

SCOA recommends that the ACT Government:

- make representations to the Federal Minister for Finance and Deregulation for a further examination of the indexation of ComSuper pensions
- consider itself providing an indexation adjustment for ACT Government retirees

The Federal and ACT Governments use a common superannuation scheme; CSS and PSS, for public servants. Indexation of ComSuper pensions is a serious issue. In recent years, the gap between different forms of indexation has become significant and merits a comprehensive examination and appropriate adjustments to ensure fair indexation to restore the value of superannuation.

The ALP/Greens parliamentary agreement of 2 November 2012 contained a commitment for the ACT Government to make representations to the Federal Minister for Finance and Deregulation for a further examination of the indexation of ComSuper pensions. The fair indexation of Commonwealth superannuation pensions is a matter of central importance to the Canberra residents we represent and SCOA stands ready to provide whatever information and assistance may be necessary in support of such representations.

As the ACT Government reimburses the Federal Government for its share of payments in relation to former ACT employees, ACT Government should in the meantime consider itself providing an indexation adjustment for ACT Government retirees.

Home and Community Care

SCOA recommends that the ACT Government give priority to effectively monitoring and further improving the operation of the ACT Home and Community Care Program to identify and address ongoing deficiencies in the current system that are delaying provision of timely services to existing service recipients and those on the waiting list.

Experience suggests that it cannot be safely assumed that recent changes to Commonwealth Aged Home Care packages will take up the slack, particularly given apparent financial constraints.

Most older people wish to stay in their own home for as long as possible and do not want to use, or will want to delay use of, residential care. Whilst our members generally speak highly of services provided through the Home and Community Care Program (HACC) and Community Aged Care Packages (CACPs), they continue to draw attention to growing pressures being experienced on HACC, particularly in the provision of services for home-based care needs clients.

Despite this, many new applicants have been advised that services cannot be provided due to lack of funding. SCOA understands that for some services there is an unacceptably long waiting list for new customers unless they are medical emergencies and inadequate follow-up. This is a continuing concern for SCOA ACT which feels that priority should be afforded to rectifying this unsatisfactory situation.

Existing customers are finding that their services are occasionally delayed or are temporarily reduced or postponed due to inadequate resources and staffing. There appears to be a continuing problem with timely provision of Home Help services. The situation is aggravated by early discharge policies pursued by hospitals and the use of HACC funding to meet post/early discharge rehabilitation needs.

Many older people suffer reduced living standards and declining health because of a lack of basic support services. Results can include unnecessary stress, premature admission to residential aged care, hospital admission or at worst, death.

National Disability Insurance Scheme

In this context, we would also like to flag the inequity of older persons being excluded from access to the NDIS.

SCOA is deeply concerned that the reach of the NDIS excludes over 65s (unless they are already receiving this assistance prior to turning 65), although they are still liable for the NDIS tax surcharge.

There is also mounting evidence of the inadequacy of NDIS funding and arrangements to meet existing needs, particularly given apparent assumptions that some other services (including Territory services) therefore no longer need funding. Although this is primarily a federal issue, the NDIS' failure to cover older Australians impacts directly on the ACT Government's own responsibilities. In fact, the inadequacies of the NDIS in its funding and coverage (especially in relation to older Canberrans) make it all the more important to consolidate and extend ACT Government support for ancillary and complementary services, such as Technical Aid for the Disabled ACT (TADACT).

Last year TADACT lost \$150,000 in annual funding from the ACT Government. Funding from the NDIS had not filled the gap, in part because of the one-off nature of much of the assistance provided. We note in particular that many TADACT clients are aged over 65 and are not eligible for NDIS funding.

We have been disturbed by recent reports of significant retrenchments in ACT services in this area, on the apparent assumption that NDIS now fills the gap – which appears to be unduly optimistic. NDIS will certainly not do so for those senior Canberrans excluded from the NDIS.

Improved Rubbish Collection

SCOA has welcomed the progressive introduction of regular collection of garden waste which should become a permanent service throughout Canberra and will be of particular benefit to older Canberrans.

SCOA also recommends a review and extension of present ad hoc arrangements for collection of unwanted heavy household items.

The advantages of providing an improved rubbish collection are: less rubbish will be dumped so that Canberra will look cleaner and tidier; the ACT Government will have to spend less money cleaning up the parks and roadsides; charities will be able to spend more of their money on good works; and the people of Canberra will have a more convenient way of disposing of items that they would otherwise have to take the tip. However, such an improved rubbish collection service would require additional expenditure and there would be some loss of revenue from tip fees.

It would be particularly helpful to elderly people like our members. Many elderly people can no longer take their garden rubbish to the tip themselves because they are too old to drive, so they have to use costly commercial trash packs, or they have to pay somebody to take their rubbish to the tip for them, which can be even more expensive.

At present there are not enough charity bins in Canberra for all the used clothing and blankets that people want to put in them. The bins soon become full and people leave bundles of clothing on the ground beside them, in spite of signs asking them not to. We welcome the Government's ongoing attention to the present unsatisfactory situation.

ACT Government collection of clean used clothing and blankets would remove the need for charity bins. The items thus collected could be offered to appropriate charities and/or commercial operations. People who wanted to donate such items to a specific charity could still take them directly to the charity's shopfront or collection depot.

SCOA ACT welcomes the ACT Government's commitment to continue e-waste collections, in particular unwanted analogue television monitors.

Footpaths

SCOA supports the provision of footpaths in all Canberra streets to allow all Canberra residents the opportunity to go for walks to improve their health and prevent weight gain and to maintain social contact. SCOA believes that ideally all streets should have footpaths on both sides of the road, but even a footpath on only one side of the road would be better than none at all. It supports continuation of Urban Services attention to the upkeep and repair of urban footpaths, damage to which can represent a particular hazard for older Canberrans.

At present, streets in older suburbs (e.g. Turner) have footpaths on both sides of the road, while some streets in newer suburbs have a footpath on only one side of the road, and others have no footpaths at all. Where there is no footpath, pedestrians are expected to walk on the unpaved nature strip. However, many nature strips are not fit for the purpose. The ground may be uneven and/or covered in long grass, or the householder has allowed shrubs or trees to grow all over it, or vehicles

to be parked on it. Would-be pedestrians (particularly those who have to use walking frames) then have the choice of walking on the road, thus compromising their safety, or using some other means of transport.

When elderly people live in a street without footpaths, particularly one with many curves in the road, they may be unable to go out for walks (including to access public transport), for fear that a vehicle may suddenly appear from around the corner.

Although progress has been made (particularly in repairs to existing footpaths where damage is reported), a good deal remains to be done. Continuing funding will therefore be required

Mature Age Employment

SCOA recommends that the ACT Government:

- Give priority to making workplaces more welcoming and “friendly” for mature age employees, including more flexibility in employment and hours and greater emphasis on issues such as job interest and variation rather than simply salary and career;
- Give priority to strengthening age discrimination laws;
- Create incentives to encourage mature age workers to increase their skills.

Given the rapid ageing of the ACT population and increasing skills shortages SCOA believes that the time has come for the value and benefits available from employment of mature age employees to be recognised and taken into account.

Liability insurance cover for volunteers

SCOA recommends that the ACT Government

- underwrite public liability cover for volunteers who are operating away from premises which are covered for public liability for their organisation; and
- note the exclusion of older people as volunteers due to age limits placed on public liability insurance and seek to take action to change this to allow older retirees to continue as volunteers in community activities.

Many valuable voluntary activities, many of them involving retirees, are being constrained or even curtailed by the high cost of liability insurance or in some cases the non-availability of such insurances. Rather than small, community organisations seeking to obtain/provide such cover it would make far more sense from a community point of view for the ACT Government to collectively underwrite such activities to enable them to continue to the considerable benefit of the community as a whole.

Age limitations need to be avoided to allow the full contribution to the community of the over 70s and 75s.

Access to Dental Services

SCOA recommends that the ACT Government take urgent action to reduce waiting time for treatment under the ACT Public Dental Scheme.

SCOA acknowledges the ACT Government maintenance of funding for public dental services in the ACT and the measures it has introduced to minimise treatment delay for eligible Canberrans requiring urgent treatment. However, SCOA would like to see the general waiting time still further

reduced (and access maintained and improved) over the budget cycle, while acknowledging that this will be largely dependent on provision of federal funding.

General Practitioners in the ACT

SCOA recommends that the ACT Government continue its efforts to significantly reduce the shortage of General Practitioners in the ACT

SCOA is most concerned about the significant shortfall of full time GP's in the ACT and the lowest bulk billing rate in Australia. Given the ageing profile of ACT residents and doctors, urgent action is required to head further deterioration in the level of available medical services and unacceptable waiting times for those services.

In this context, SCOA welcomes the consolidation and expansion of nurse-led walk-in centres in the ACT which have been a successful and valuable addition to the range of available medical services.