

VEHICLE LICENCES — TIME PAYMENTS

Grievance

MR A.P. O’GORMAN (Joondalup) [9.38 pm]: My grievance this morning is to the Minister for Transport. Recently I met with a group of financial counsellors to talk to them about some of the issues they are having with providing some of the counselling services. One of the issues they raised with me is that organisations such as Synergy, Horizon Power, Alinta, Kleenheat Gas, Telstra, B Digital, the Fines Enforcement Registry, the Magistrates Court, Keystart Home Loans, St John Ambulance, TAFE colleges and, in some instances, private landlords and real estate agents, accept time payments for outstanding amounts on bills that fall due at a certain time. They point out that in the case of the Department of Transport and vehicle registrations there is the option of paying for 12 months’ or six months’ registration, but for some clients that is just not possible to do. I asked for a case study and I can read it out and make it available to the house. No names have been mentioned because we acknowledge the person’s privacy and we do not want to embarrass them in the public arena. This particular client of a financial counsellor in the northern suburbs is a single parent. She works part time and also receives Newstart and family tax benefit. She has a 12-year-old daughter who has been receiving treatment since 2011 for a brain tumour. The client needs to attend multiple medical appointments and therapy sessions with her daughter each week. This client is experiencing financial hardship due to her low income and the high cost of private rentals. This is further impacted by the cost of petrol and parking involved in taking her daughter to appointments. This client has a health care card and is therefore not eligible for a pensioner concession rate from the Department of Transport. The cost of vehicle registration for six months is \$313.85. The client has been budgeting effectively for the cost of utilities by using Centrepay. Many utilities, such as Synergy and Alinta, accept time payments, or monthly payments. Currently, the WA Department of Transport does not allow vehicle registrations to be paid in this manner and this client is unable to pay the full cost of registration by the due date. The vehicle is vitally important for this client to transport her daughter to and from medical appointments, and public transport is not freely available in her area.

I thought that might have been something that just cropped up out in the northern suburbs, because we have a lot of issues with public transport and getting people to health appointments, but then I opened *The Sunday Times* last Sunday, 16 September, and read the heading “No job, 3 kids and catch your tea”. I am happy to mention this gentleman’s name because it was published in *The Sunday Times*. His name is Ben Edwards. The article states —

BEN Edwards is stuck in a Catch-22 situation.

He wants to work, but because he is a single parent with three young children he can’t and has to rely on a single-parent pension to get by.

With just \$610 a week he has to pay for rent, food, bills and any other unexpected costs.

Most of the time the former builder manages to scrape by. But at the moment Mr Edwards is struggling.

He wants to put his youngest in day care so he can pick up a few days work, but his car registration is due. He can’t afford both.

That is an identical situation to the single parent in the northern suburbs. The article continues —

Life for the family has been like this for a year as Mr Edwards tries to balance what little money they have to keep up with the rising costs of living.

High rents in Perth have already forced him to move to Falcon, near Mandurah, where he pays \$270 a week.

That is out of his \$610 a week. I continue quoting —

Now his spiralling power bill, which was \$250 last month, and food bill, which is about \$150 a week, is forcing Mr Edwards to be more resourceful when it comes to putting food on the table.

“Basically all I buy is fresh fruit and veg and a little bit of meat, but not a lot because I can’t afford it,” he said.

“I actually take the kids out fishing so we can eat fish.

“We are lucky we are just down the road from the beach and can go fishing all the time. And it’s the only hobby I can afford at the moment.”

The two case studies I have put before the minister this morning highlight the fact that people in Perth are particularly reliant on motor vehicles. We are reliant on vehicles to get to work, albeit we have to come through very congested roads at times. It took me nearly an hour and a half this morning to get here from the northern

suburbs. It is important that WA residents are able to use their vehicles to get to healthcare appointments and our places of employment, because it is not possible all of the time to use public transport. We should not put any barriers in the way of people on the lower end of the income scale, particularly people on Centrelink payments and single parents who have children to look after. They also have to get their children to school and maybe get them to babysitters, if that is an option available to them. People have to come up with approximately \$300 every six months to pay vehicle registration, or close to \$600 if people can manage to pay it on an annual basis—which is much better because it gives 12 months relaxation in between so people are not stressing about it.

Minister, the WA Department of Transport is the only state government agency that I am aware of that does not allow monthly payments of bills. It is not too difficult. It is a small amount of administration with the computer systems that we have in place today. It should be done, and it can be done, through Centrepay. All these other organisations that I mentioned can do it. I will mention them again: Synergy, Horizon, Alinta, Kleenheat, Telstra, B Digital, even the Fines Enforcement Registry. This is another thing that has been pointed out: people who have been fined because their vehicle registration is out of date can pay the fine through a time-payment option. It is not really a way to go for some people. Keystart loans provide monthly repayments. St John Ambulance is one organisation that sometimes sends a very large bill—\$600 to \$800. That organisation also accepts time payments. Is it possible for the WA Department of Transport to at least put in place, for people on lower incomes, a system that accepts payments on a monthly basis so people can continue to get their children to hospital appointments?

MR T.R. BUSWELL (Vasse — Minister for Transport) [9.45 am]: Centrepay is a free and voluntary bills-paying service, as I understand it, for people who receive Centrelink payments. It is administered by the federal government’s Department of Human Services. Basically the way it works is that after a person registers, they effectively pre-allocate certain amounts from their Centrelink payment to a range of different service providers; that is, bills are paid out of their Centrelink payment. I understand what the member for Joondalup is saying. There are a couple of issues to consider. I will talk about the Department of Transport in a second. One issue is if a pension is low relative to expenses, although it might smooth out some of the blips—which is the point the member talked about—the pension is still low relative to expenses. There is an issue, particularly in Western Australia, where costs of living are high relative to the level of social security payments that people receive. That is a commonwealth issue, as the member would know, and I think it is a real issue. People who are in employment in our state enjoy relatively high wages, but the relative costs of living are also quite high across a range of fronts, not just utilities that we often hear talked about in this place, but also rents and food et cetera. Centrepay is administered by the commonwealth. At this stage the Department of Transport does not provide the monthly Centrepay option to its customers. It has been approached by the commonwealth Department of Human Services. That approach was received by the department on 9 August this year. About a month ago, the commonwealth approached the Department of Transport to see if it would be able to utilise Centrepay for vehicle licensing. The department is currently assessing the implications of that request. We will work through that. I am not in a position today to provide a formal response to the commonwealth. I imagine that will be forthcoming in the not-too-distant future, but it is important to understand that that formal response to the Department of Transport was received in August of this year.

A couple of issues the department needs to perhaps deal with prior to formally responding to the commonwealth include the following. Under Centrepay, people have the option to voluntarily halt deductions. That could happen for a range of reasons; I am not being critical of people for doing that. A person may be in a circumstance in which they do not want that deduction to go out next month. We need to understand the implications that has on a person’s vehicle licence. In theory, if a monthly payment is not made, for a range of reasons—it could be an unexpected medical bill, who knows; a person might get crook and stops paying—we need to understand what that means in terms of the person’s vehicle licence. It would be a terrible consequence of this system if people inadvertently found themselves in a circumstance in which the vehicle became unlicensed because, for whatever reason, one month they could not have those payments deducted. We need to be mindful of that. I do not think everyone in Centrepay would do this, but the last thing we want to do is encourage people to go into a system that makes it easier for them to inadvertently not pay their vehicle registration. The next thing they know, they will be driving down the road and the police will pull them over to say their vehicle is unlicensed. That creates a range of issues for them. The police are very good at doing that now because of the computers they have in their cars. That is one of the things we need to do a little more work around. We also need to do some more work with the Insurance Commission of Western Australia to understand how we deal with third party insurance if it is paid on a monthly basis; I think that is a minor administrative issue, to be honest. The third point that the department makes, which I also think is minor, is the full nature of the cost because the costs are borne by the service provider. The member has pointed out to me that the department’s IT system, although it is getting better, is still not the world’s best, but I cannot imagine that the cost of administering a system with the commonwealth government would be very high at all. I think the first concern is probably something that we should do a bit of work around, to make sure that increasing numbers of

people do not find themselves unwittingly driving unlicensed vehicles. The member would get people in his office, as I do in mine, who have been caught in those circumstances, and they are very hard circumstances to get out of once people have been caught. But the member is right in principle; I do not see it as being a problem or an issue. I think it is a good customer service option. It is clearly targeted at people who are on a low income or who have no income, because they have to be in receipt of a Centrelink payment to be able to use Centrepay. We will work through it. Again, the member may argue that the department should have approached the commonwealth government years ago, but that is now in train and we will see how it falls out. I accept the member for Joondalup’s argument that these sorts of mechanisms help people budget because it smooths out what would otherwise be quite hefty periodic payments. Our licence fees in Western Australia are relatively low, but again, if we can make it easier for people to meet those commitments, we should be doing all we can to do so. But I do think it is incumbent on us to do that work around the issue of unlicensed versus licensed drivers, because it would be a terrible consequence if that was the outcome. I thank the member for raising the issue; I will certainly continue to follow up on it with the department.