

PENSIONER REBATES, WATER AND LOCAL AUTHORITY RATES

2186. Mrs C.L. Edwardes to the Treasurer

I refer to the issue of rebates of water and local authority rates for pensioners and ask -

- (a) is it correct that pensioners involved with the Department of Housing and Works shared equity home ownership schemes do not receive the full pensioner rebate for water and local authority rates;
- (b) if so, how many pensioners are affected;
- (c) does the Treasurer acknowledge that the situation can arise where the Department is in equal partnership with a pensioner in home ownership, but that the pensioner can be required to pay all expenses incurred;
- (d) is it also correct that the Department of Housing and Works supports the necessary change to legislation so that the affected pensioners would receive the full rebate;
- (e) has the Department of Housing and Works asked the Treasurer to consider this matter;
- (f) has the Treasurer deferred any possible change until the 2005-2006 State Budget, at the earliest;
- (g) what would be the cost to Government of providing a full rebate in the circumstances outlined above;
- (h) is it correct that some local authorities have exercised their discretion and granted the full pensioner rebate;
- (i) if so, which local authorities;
- (j) will the Treasurer reconsider his decision regarding consideration in the context of the 2005-2006 State Budget, with a view to expediting any relief for the pensioners concerned; and
- (k) if not, why not?

Mr E.S. RIPPER replied:

- (a) Yes.
- (b) The Department of Housing and Works (DHW) estimates that around 470 pensioners participating in its shared equity schemes do not receive the full pensioner rebate for water and local government rates.
- (c) Yes. However, it should be noted that the DHW does not charge interest or rent on its share of the property under these schemes. Therefore, it is considered reasonable that participants in the scheme pay the DHW's share of rates in recognition of income forgone by the DHW.
- (d) Yes.
- (e) Yes.
- (f) The matter is being considered by an inter departmental committee formed to examine a range of senior and pensioner concession issues. While no decision has been made ruling out earlier changes, at this stage that committee is expected to report to me by mid 2004.
- (g) The cost of extending the Government's concession scheme to provide full local government and water rate rebates to pensioners participating in the DHW's shared equity schemes is estimated to be around \$70,000 in 2003-04.
- (h) It is understood that in the past some local governments may have granted full pensioner rebates to pensioners participating in the DHW's shared equity schemes.

However, section 28 of the Act states that "where land is, for the purposes of this Act, treated as belonging to a number of persons the administrative authority shall apportion any prescribed charge, and any rebate allowable, according to the extent of the several respective interests, on a basis proportionate to those interests." From this it is concluded that local governments do not have discretion to grant full pensioner rebates to pensioners participating in the DHW's shared equity schemes.

- (i) The DHW surveyed a sample of local governments to find out whether any are currently granting full pensioner rebates to pensioners participating in the DHW's shared equity schemes. The DHW was unable to identify any local governments doing so.
- (j) Refer (f) above.
- (k) Refer (f) above.